



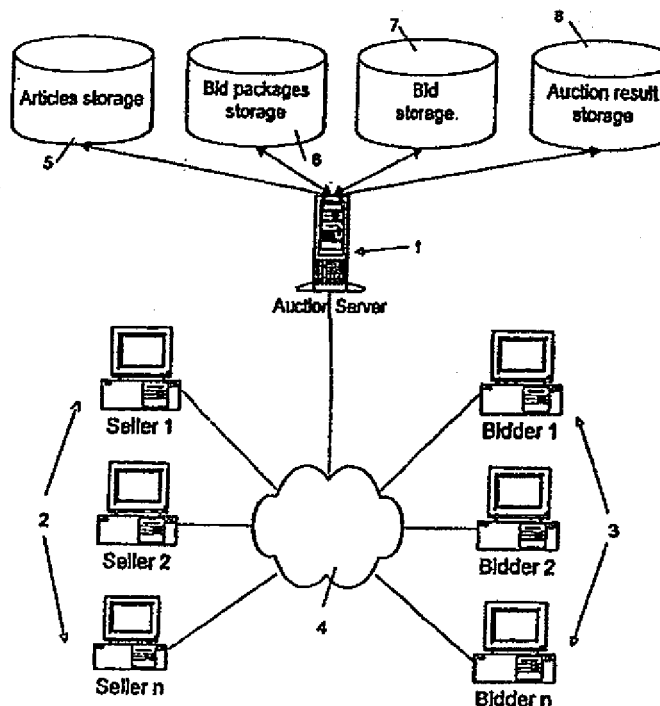
## INTERNATIONAL APPLICATION PUBLISHED UNDER THE PATENT COOPERATION TREATY (PCT)

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(74) Agent: HOFMAN-BANG & BOUTARD, LEHMANN & REE A/S; Hans Bekkevolds Allé 7, DK-2900 Hellerup (DK).		Published With international search report. Before the expiration of the time limit for amending the claims and to be republished in the event of the receipt of amendments. In English translation (filed in Danish).	

(54) Title: A METHOD OF HOLDING AN AUCTION AND USES OF THE METHOD

## (57) Abstract

The invention relates to a method of holding auctions which take place in a computer environment, where a plurality of sellers (8) and bidders (3) may submit bids from local computers to a central computer (1), a so-called server which may e.g. be coupled via the Internet. The server (1) may offer a catalogue (5) to the individual bidders (3) who can then prepare, via their own computers, a prioritized list of the articles which they may possibly desire to buy. The auctioning system incorporates the certainty, via a list of purchase conditions, that a bidder does not risk buying too many articles, or that he will not spend too much money, in the same manner as is known from a traditional live auction. It is moreover noted that the auctioning system may be combined with an ordinary live auction. The auctioning form gives a very advantageous price formation which considers both sellers' and buyers' interests. Furthermore, the auction may take place entirely without geographical limitations.



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A method of holding an auction and uses of the method  
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5 The invention relates to a method of holding an auction  
of a plurality of articles in a computer environment,  
said auction being controlled by a central computer.

10 EP 0 793 382 A2 and US Patent No. 4 789 928, e.g., dis-  
close an auctioning concept where buyers can bid for an  
article from a computer in the same manner as is done at  
a traditional auction. Thus, only one article is put up  
for sale at a time, which means of course that the auc-  
tioning process may take a good deal of time if a large  
number of articles is to be auctioned.

15 Furthermore, the known auctioning concepts have the draw-  
back that individuals wanting to bid at the auction must  
be present at the same time, which, of course, is a draw-  
back of an individual e.g. from Japan wants to bid via  
20 his computer at the same time as an individual residing  
in the United States.

25 Accordingly, an object of the invention is to provide an  
auctioning form of the type mentioned in the opening  
paragraph which allows the auction to be conducted inde-  
pendently of geographical conditions. Another object is  
that the articles for sale need not be auctioned in a  
specific order.

30 The object of the invention is achieved by comprising the  
steps of:

35 a) opening the auction for a given period of time for a  
plurality of bidders during which period of time the  
bidders may prepare a plurality of bid packages con-  
taining a prioritized list with purchase conditions

for the articles for which it is desired to place bids later,

- 5      b) holding the actual auction, which is performed by the central computer which checks whether the bids stated in the bid packages prepared by the bidders in step a), may be placed, and if yes, then placing the bid,
- 10    c) closing the auction after all bids have been processed in the central computer, a list of the articles acquired by the individual bidder being prepared in the central computer.
- 15    Bids may hereby be placed from any geographical location, if only the period of time during which bids may be placed has been suitably selected. The bidders need not be physically present either in this auctioning form. The actual auction is thus conducted by means of the computer
- 20    alone.

When, as stated in claim 2, the bid packages are prepared by means of an auction catalogue which is received from the central computer, a survey of the articles for sale

25    may be distributed in an extremely expedient manner to a very large segment of potential buyers no matter where they are present.

To optimize the auctioning form additionally, it is expedient, as stated in claim 3, that the actual auction of the articles stored in the central computer is conducted

30    with the following steps:

- 35    a) first the central computer checks whether the first bid package contains bids which fulfil the purchase

conditions and may thereby be placed for some of the articles,

and if some of the bids fulfil the purchase conditions, these bids are placed and stored,

b) step a) is repeated for all bid packages placed or being placed.

10 This provides the advantage in particular that the price formation is optimized completely for buyers and sellers, which may be illustrated in the following way.

15 If a first bidder has made a prioritized list of e.g. five bids, but only wants to buy two, and he e.g. places a bid for article three which is later outbid by another bidder, then the first bidder can buy a later article without breaking his purchase condition specifying max. two articles. In short, the auction proceeds in the manner that each time a bid is placed, all bidders' purchase conditions are run through for all the articles for sale.

20 To make the auctioning additionally flexible, it is expedient, as stated in claim 4, that the central computer checks in connection with the placing of bids that all purchase conditions for the placing of bids are fulfilled before bids are possibly placed.

25 This primarily ensures that a bidder does not risk buying too many articles, or perhaps even buys more than he can afford.

30 When, as stated in claim 5, the bid packages contain a prioritized list of the order of the articles in which it is desired to place bids, the bidders may have the best

conceivable distribution of the articles which they want to buy.

It is a further advantage, as stated in claim 6, that the  
5 bid packages contain terms which are related to external conditions.

These terms may e.g. be that a bid may be placed only if  
an external condition has been fulfilled, which might  
10 e.g. be that a bank is to undertake to finance the purchase before a bid is placed.

To make the auctioning form even more flexible, it is an  
advantage, as stated in claim 7, that the actual auction  
15 is held in connection with a live auction, so that when one or more bidders place a bid for an article, the steps defined in claim 3 for each bidding will be executed by the central computer.

20 The auction may thus proceed like a traditional auction, but with the central computer in control of the auction, as a bid placed from e.g. a saleroom will cause all the steps concerning purchase conditions to be run as if it was a pure computer auction. This will thus mean that as  
25 soon as a bid is placed from the saleroom for an article, all bid packages previously placed will be run through and checked for purchase conditions. As a consequence, changes may be made in the composition of which articles are acquired by which buyers.

30  
In the event that one or more bidders have bid the same price and it is the highest bid, the central computer selects the bid package placed first as being the one that is to apply. This provides a "just" way of selling the  
35 articles in the event that all bid conditions are the same.

To ensure that the bidder does not feel that he places too high bids for some articles, it is an advantage, as stated in claim 9, that the auctioned articles are sold to the bidder who has placed the highest bid, but at a price which is lower, e.g. the second highest bid.

As mentioned, the invention also relates to uses of the method.

These uses are defined in claims 10 and 11, it being noted in particular that executing the auction on the Internet will be extremely suitable.

The invention will now be explained more fully with reference to an embodiment shown in the drawing, in which

fig. 1 shows a block diagram of conducting an auction in a computer environment,

fig. 2 shows a flow chart of the individual steps performed in connection with the computer auction,

fig. 3 shows the principle of the actual working method in the computer,

fig. 4 shows an additional routine in connection with the execution of the auction in the computer,

fig. 5 shows a diagram corresponding to the one in fig. 3, but now extended with a live auction,

fig. 6 shows how purchase conditions for a number of persons proceed, and

fig. 7 shows an additional example of how bids may be placed.

In fig. 1, the numeral 1 designates a central computer, a so-called auction server, from which the auction is controlled according to the invention. The central computer has data connections to a plurality of sellers 2 and a plurality of bidders 3.

As will be additionally seen from fig. 1, the central computer 1 has a catalogue storage 5 which contains information on the articles to be auctioned. Also included are a bid packages storage 6 containing information on the possible bids of each individual bidder, a bid storage 7 for submitting bids to the central computer, and a storage 8 for storing and submitting the auction results.

Fig. 2 shows the three phases in which the auction takes place. The three phases are separated by dashed lines in the figure.

At the top, the numeral 10 designates that the auctioning of each article may be started in the blocks 11, 12 and 13. Moreover, between the upper two dashed lines it will be possible to prioritize a list of the articles which it is desired to buy, and to insert some purchase conditions. All this takes place during a given period of time, and when this has elapsed, the auction is closed, which is symbolized in the blocks 16, 17, 18 and 19.

Fig. 3 shows in more detail how the actual execution of the bid packages according to fig. 2, shown by the reference numeral 15, takes place. Each packet is input at 20, and for each package a bid is placed for the individual articles, shown at 21. It is decided at 22 whether the current article is to be auctioned. If yes, the purchase conditions are checked at 23, and if they are OK, a bid is placed. If they are not OK, no bid is placed, and the next article in the package goes through the same



process. If articles upon which no bids are placed in the bid package because the purchase conditions are not fulfilled, it is decided in the block 25 whether there are more bids in the bid package, following which the same process is repeated. As soon as all the bids in the bid package have been placed and processed, feedback will take place at 26 to implement processing of the next bid package. Once all bid packages and all bids have been submitted and processed, the auction wishes will have been computer processed, which is shown symbolically at 27.

Fig. 4 shows an example of a routine of how the execution of the auction proper proceeds. A bid is placed at 24a. It is checked at 28 whether it is the highest bid. If it is not the highest bid, the bid is not placed, and the process terminates at 32. If, on the other hand, it is the highest bid, it is checked at 29 whether the bid is higher than a possible minimum price. If it is not, the bid is not placed, and it is rejected and transferred for termination at 32. If the bid is higher than the minimum price, it will be stored at 30 as the highest bid, and then the process is terminated.

Also fig. 5 shows an auction process which has the same elements as in fig. 3 in several respects. At the block 39 where a bid for an article is placed. When this bid is placed, the computer places its bid. This process continues until either the computer or one of the live participants has placed the highest bid. It is noted that live participants do not know beforehand how high the computer will bid. When live bidding for the article is over, it is decided whether the computer bid or one of the live bids is highest, following which the auctioning of the article is completed. This means that, because of his purchase conditions, this bidder now has the possi-

bility to bid for a later article and to acquire it if this bid is higher.

5 An illustration of how the bidders may place bids with purchase conditions is shown in fig. 6, which shows three possible outcomes of the selection of three persons X, Y and Z at the reference numeral 43. As will be seen, person X has prioritized his bids such that he has selected the articles in the order C, A, B and D. It is noted that  
10 they are processed in alphabetical order in the computer, but with several runs, as explained before. As will be seen, X has placed a bid for C of DKK 20,000, and since this is the highest bid placed at the auction, he will buy the article, if no others place higher bids later. As  
15 a second priority he has selected a car of the make Ford Sierrra, and has bid 15,000, but since this is lower than a previously placed higher bid, nothing will be bought. Person X has selected an Opel Vectra as the third priority, and since he has bid the highest price here too, he  
20 will buy this article. Then a bid will never be placed for priority 4, since the bidder has had a condition of max. 2 articles, and since he has already bought 2, the bid 4 will never be placed.

25 A similar example is shown for person Y in fig. 6, from which it will be seen that this person has selected one article as a purchase condition, and has got a car of the make Opel Mantra as his third priority, since the bids for the two preceding priorities were not sufficiently  
30 high. Finally, fig. 6 shows that person Z just wants to buy one article, and as he got priority 1, bids will never be placed for his remaining articles.

35 Finally, fig. 7, like fig. 6, shows a little more sophisticated list of purchase conditions, an additional column including some extra conditions being shown at 58. The

principle in itself is the same as in fig. 6, but now includes the possibility that if the person does not succeed in buying anything, he will transfer his bids to another auction.

5

Clearly, the auction according to the invention may be used in many connections and with a very large number of bidders spread geographically anywhere in the world.

- 10 Examples of uses may be holding of automobile auctions, holding of food auctions, such as fish auctions, holding of flower auctions, fur auctions, works of art auctions, and options, etc. Even uses in connection with financial transactions are conceivable.

Patent Claims :  
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1. A method of holding an auction of a plurality of articles (7) in a computer environment, said auction being controlled by a central computer (1), characterized by comprising the steps of:
- a) opening the auction for a given period of time for a plurality of bidders (3), during which period of time the bidders may prepare a plurality of bid packages containing a prioritized list with purchase conditions for the articles for which it is desired to place bids later,
  - b) holding the actual auction, which is performed by the central computer (1) which checks whether the bids stated in the bid packages prepared by the bidders (3) in step a) may be placed, and if yes, then placing the bid,
  - c) closing the auction after all bids have been processed in the central computer (1), a list (8) of the articles acquired by the individual bidder being prepared in the central computer.
2. A method according to claim 1, characterized in that the bid packages are prepared by means of an auction catalogue (5) which is received from the central computer (1).
3. A method according to claim 1 or 2, characterized in that the actual auction of the articles stored in the central computer is conducted with the following steps:

- a) first the central computer (1) checks whether the first bid package contains bids which fulfil the purchase conditions and may thereby be placed for some of the articles (7),
- 5 and if some of the bids fulfil the purchase conditions, these bids are placed and stored,
- b) step a) is repeated for all bid packages placed or
- 10 being placed.
4. A method according to claims 1-3, characterized in that the central computer (1) checks in connection with the placing of bids whether all purchase
- 15 conditions for the placing of bids are fulfilled before bids are possibly placed.
5. A method according to claims 1-4, characterized in that the bid packages contain a prioritized
- 20 list (45) of the order of the articles in which it is desired to place bids.
6. A method according to claims 1-5, characterized in that the bid packages contain terms which are
- 25 related to external conditions (58).
7. A method according to claims 1-6, characterized in that the actual auction is held in connection with a live auction (39) so that when one or more bidders
- 30 place a bid for an article, then the steps of claim 3 for each bidding will be executed by the central computer.
8. A method according to any one of the preceding claims, characterized in that where one or
- 35 more bidders have bid the same price and it is the high-

est bid, the central computer (1) selects the bid placed first.

9. A method according to any one of the preceding  
5 claims, characterized in that the auctioned  
articles are sold to the bidder who has the highest bid,  
but at price which is lower, e.g. the second highest bid.
10. Use of the method according to any one of claims 1-9  
10 for executing auctions in a computer network, such as the  
Internet.
11. Use of the method according to any one of claims 1-9  
for automobile auctions.

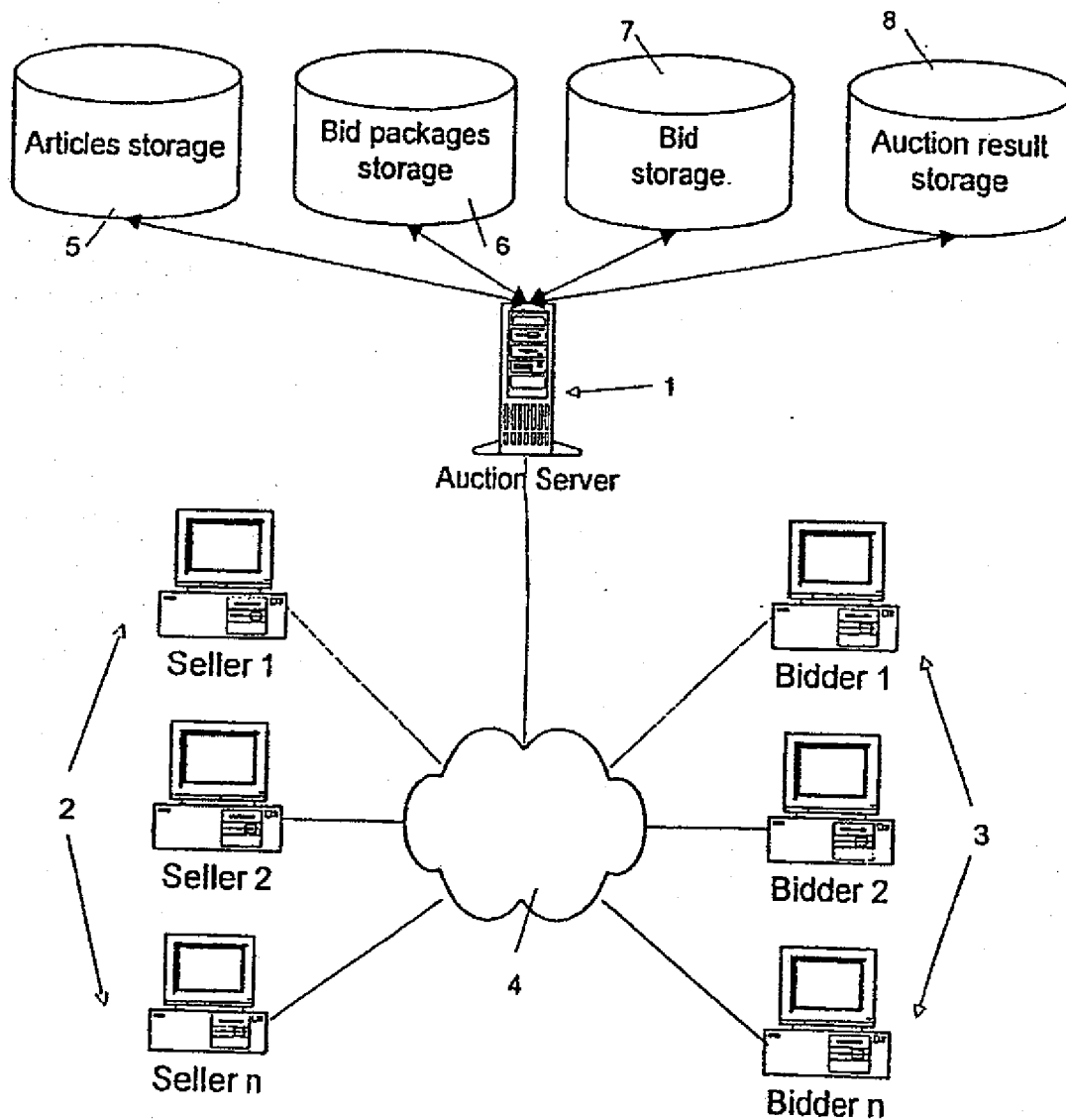


Fig. 1

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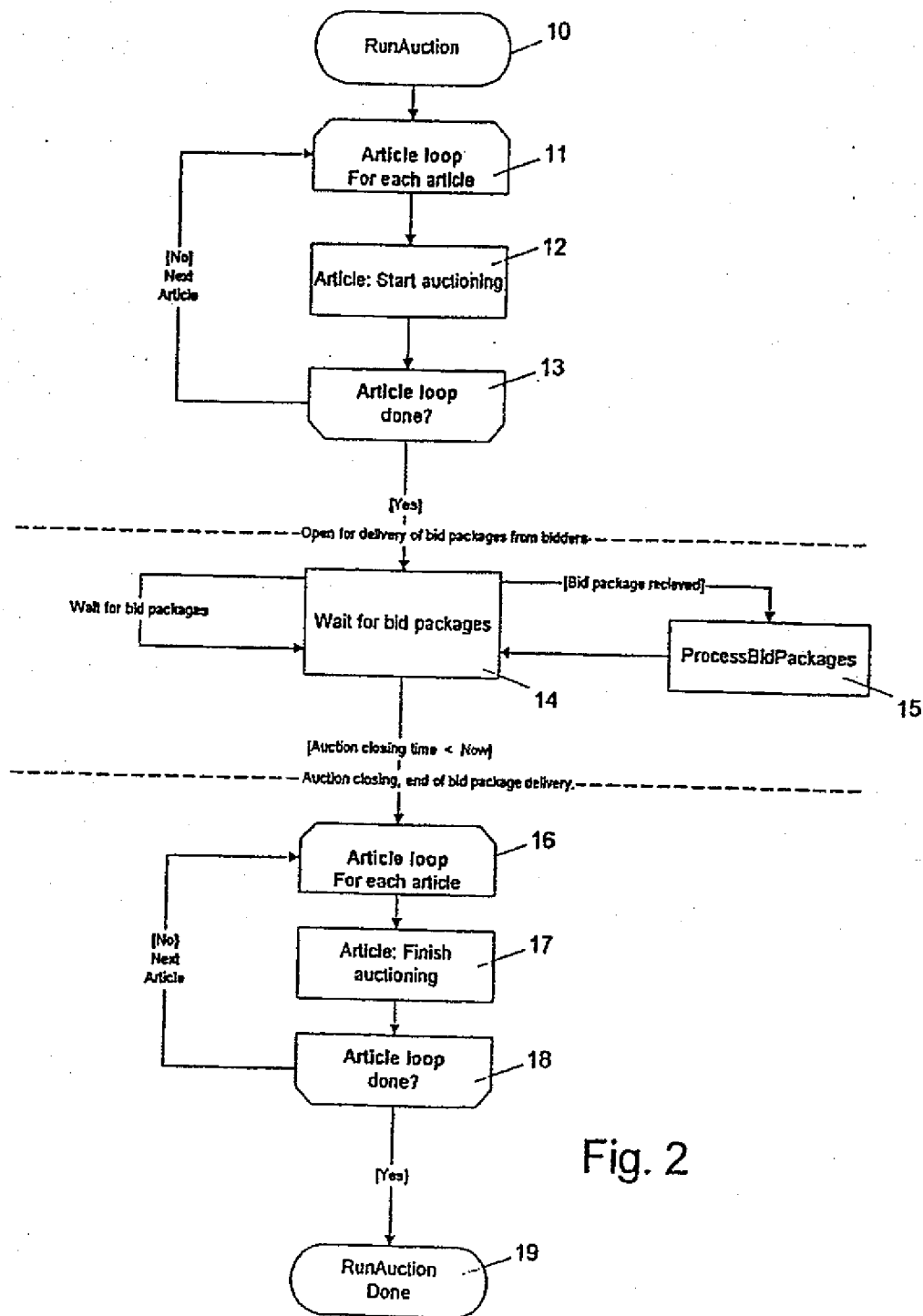


Fig. 2



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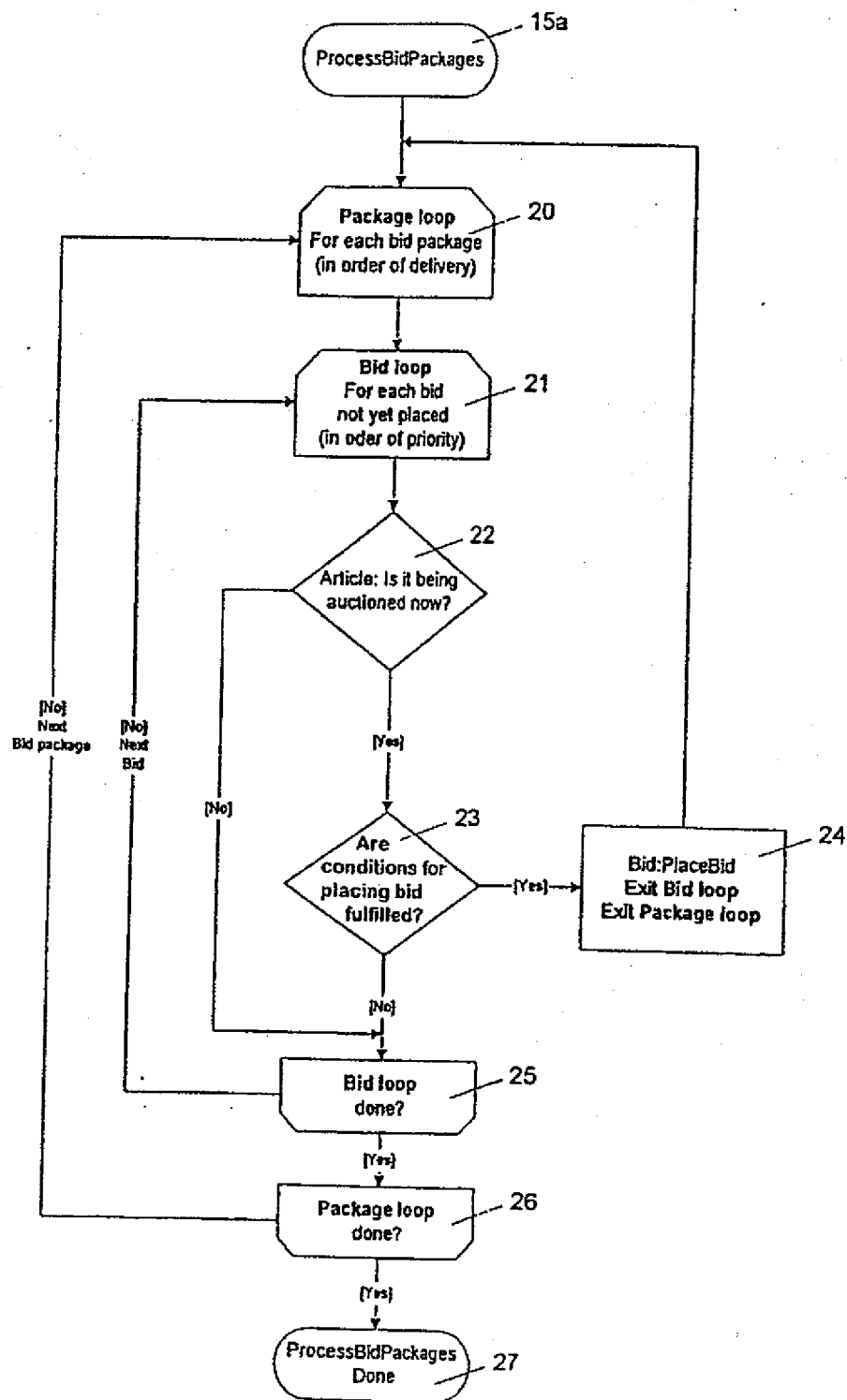


Fig. 3

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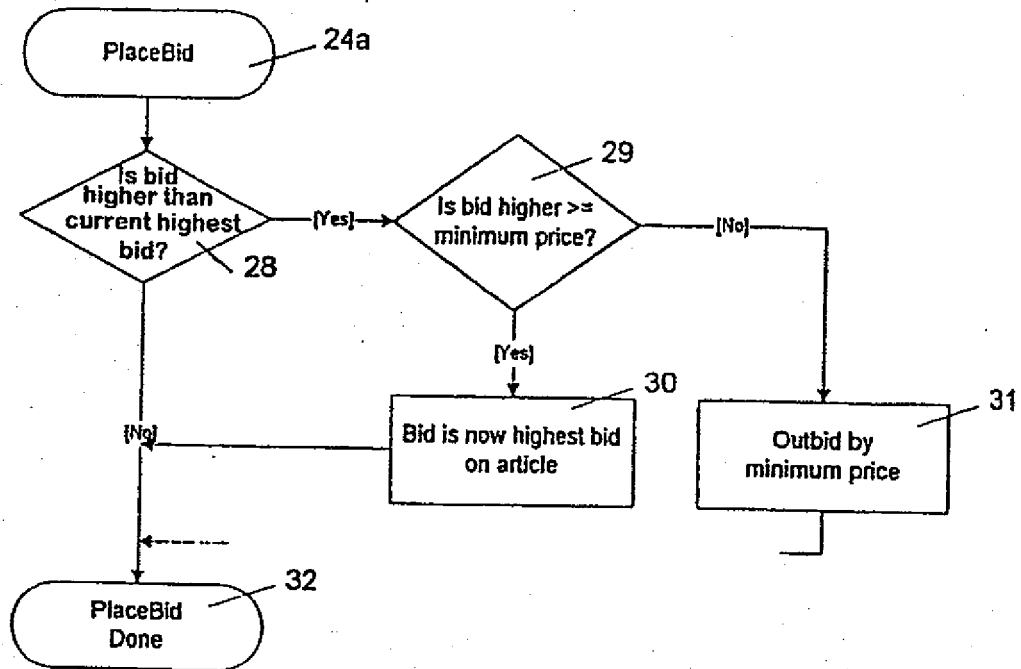


Fig. 4

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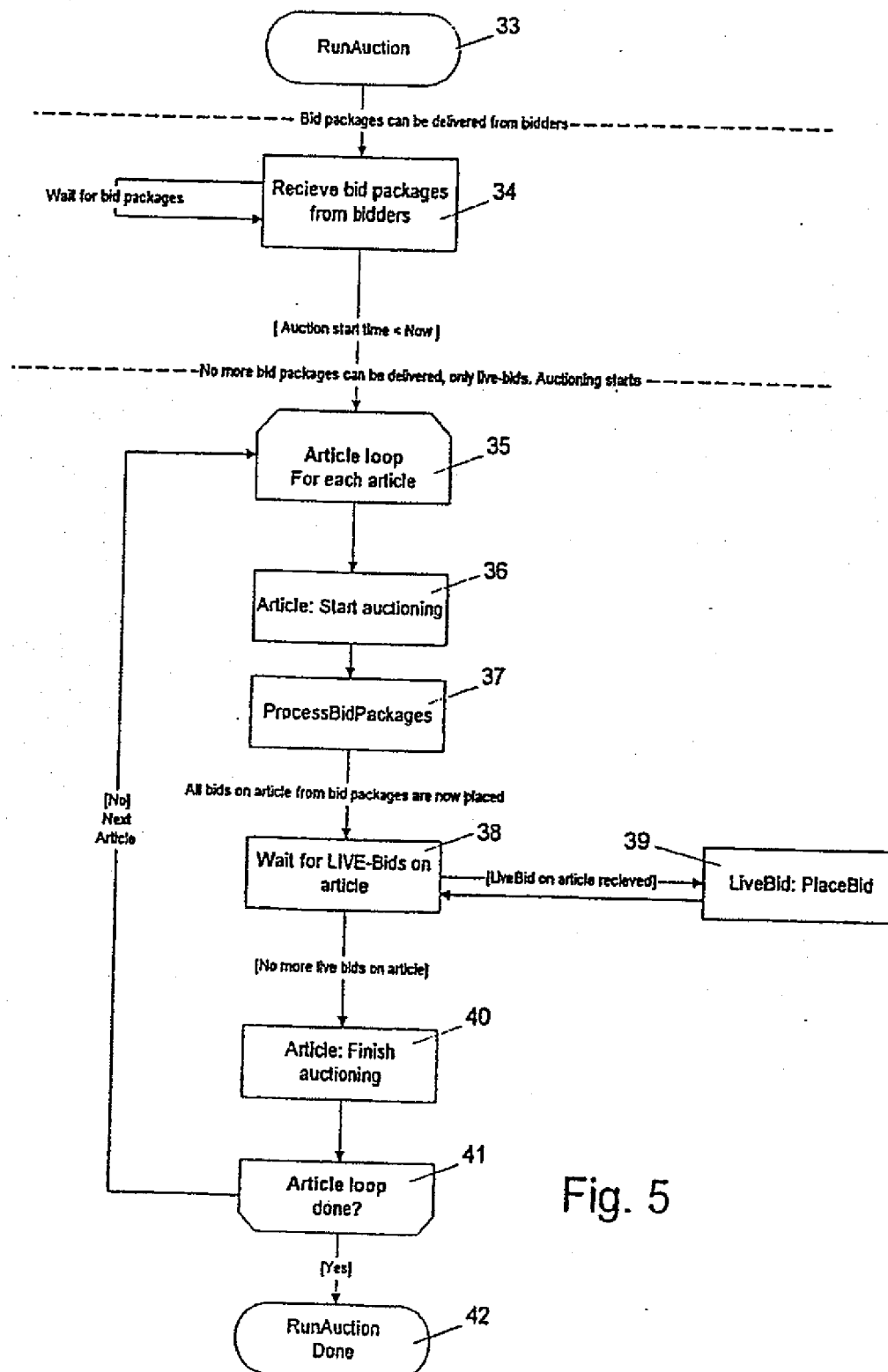


Fig. 5

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43 Person X		Limitation : Buy max. 2 articles				44
Priority	Article	Description	Own bid	High bid	Order bid placed / Final result	
1	C	Ford Escort	20.000	20.000	1. Bid placed, article purchased	
2	A	Ford Sierra	15.000	20.000	2. Bid placed, outbid	
3	B	Opel Vectra	25.000	25.000	5. Bid placed, article purchased	
4	D	Opel Manta	20.000		Bid never placed	
45	46	47	48	49	50	

Person Y		Limitation : Buy max. 1 article			
Priority	Article	Description	Own bid	High bid	Order bid placed / Final result
1	B	Opel Vectra	20.000	25.000	3. Bid placed, outbid
2	C	Ford Escort	15.000	20.000	6. Bid placed, too low
3	D	Opel Manta	25.000	25.000	7. Bid placed, article purchased
4	A	Ford Sierra	25.000		Bid never placed

Person Z		Limitation : Buy max. 1 article			
Priority	Article	Description	Own bid	High bid	Order bid placed / Final result
1	A	Ford Sierra	20.000	20.000	1. Bid placed, article purchased
2	D	Opel Manta	30.000		Bid never placed
3	B	Opel Vectra	30.000		Bid never placed
4	C	Ford Escort	25.000		Bid never placed

Fig. 6

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51 Person Z		52 Limitation : Buy max. 1 article			
Priority	Article	Description	Own bid	Conditions for placing bid	External conditions for placing bid
1	A	Ford Sierra	20.000	if not (Highest on A,C or D)	
2	D	Opel Manta	30.000	if not (Highest on A,B or D)	
3	B	Opel Vectra	30.000	if not (Highest on A,B or C)	
4	C	Ford Escort	25.000	if not (Highest on B,C or D)	If not(Bought Article X on auction Z)

Fig. 7

## INTERNATIONAL SEARCH REPORT

International application No.

PCT/DK 98/00040

## A. CLASSIFICATION OF SUBJECT MATTER

IPC6: G06F 17/60, H04L 12/18 // G07C 11/00, G07C 15/00  
According to International Patent Classification (IPC) or to both national classification and IPC

## B. FIELDS SEARCHED

Minimum documentation searched (classification system followed by classification symbols)

IPC6: G06F, H04L, G07C

Documentation searched other than minimum documentation to the extent that such documents are included in the fields searched

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Electronic data base consulted during the international search (name of data base and, where practicable, search terms used)

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## C. DOCUMENTS CONSIDERED TO BE RELEVANT

Category*	Citation of document, with indication, where appropriate, of the relevant passages	Relevant to claim No.
P,X	US 5640569 A (MARK S. MILLER ET AL), 17 June 1997 (17.06.97), claims 1-8, abstract --	1-11
A	FR 2733847 A1 (LE BRIS DENIS), 8 November 1996 (08.11.96), claims 1,11, abstract --	1-11
A	WO 9605563 A1 (REUTERS LIMITED), 22 February 1996 (22.02.96), abstract --	1-11
A	JP 7037015 A (OAK NET:KK), 7 February 1995 (07.02.95), abstract --	1-11

☒ Further documents are listed in the continuation of Box C.☒ See patent family annex.

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"O" document referring to an oral disclosure, use, exhibition or other means

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"T" later document published after the international filing date or priority date and not in conflict with the application but cited to understand the principle or theory underlying the invention

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"Y" document of particular relevance: the claimed invention cannot be considered to involve an inventive step when the document is combined with one or more other such documents, such combination being obvious to a person skilled in the art

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Date of the actual completion of the international search

14 July 1998

Date of mailing of the international search report

17 -07- 1998

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## INTERNATIONAL SEARCH REPORT

International application No.  
PCT/DK 98/00040

C (Continuation). DOCUMENTS CONSIDERED TO BE RELEVANT		
Category*	Citation of document, with indication, where appropriate, of the relevant passages	Relevant to claim No.
E	EP 0828223 A2 (HITACHI, LTD.), 11 March 1998 (11.03.98), abstract  -----	1-11

# INTERNATIONAL SEARCH REPORT

Information on patent family members

30/06/98

International application No.

PCT/DK 98/00040

Patent document cited in search report			Publication date	Patent family member(s)	Publication date
US	5640569	A	17/06/97	NONE	
FR	2733847	A1	08/11/96	NONE	
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				CA 2197768 A	22/02/96
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				GB 9516896 D	00/00/00
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JP	7037015	A	07/02/95	NONE	
EP	0828223	A2	11/03/98	AU 3677697 A	12/03/98
				JP 10078992 A	24/03/98



**METHOD AND SYSTEM FOR SELECTIVE INCENTIVE POINT-OF-SALE  
MARKETING IN RESPONSE TO CUSTOMER SHOPPING HISTORIES**

Patent Number: WO9503570  
Publication date: 1995-02-02  
Inventor(s): DEATON DAVID W;; GABRIEL RODNEY G  
Applicant(s): CREDIT VERIFICATION CORP (US)  
Requested Patent: ☐ WO9503570  
Application Number: WO1994US08221 19940721  
Priority Number(s): US19930096921 19930723; US19930141471 19931020  
IPC Classification: G06F1/12; G06F15/00; G06F17/00; G06F7/08; G06K5/00; G06K15/00  
EC Classification: G07F17/42, G07G1/00, G07G1/14B, G06F17/60B2  
Equivalents: AU7402294, ☐ EP0711434 (WO9503570), A4  
Cited Documents: US5056019; US5025372; US4908761; JP55047560

**Abstract**

A system and method is disclosed for customer promotion. A terminal enters a customer's identification code, along with customer transaction data, at the point-of-sale. A memory stores a database of previously entered customer identification codes and transactions data. Circuitry is provided for generating a signal representative of a customer's shopping history, wherein incentive coupons may be issued to customers in dependence upon the signal.

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WD2-98-042WO

**FOR FURTHER ACTION**

See paragraphs 1 and 4 below

International application No.

PCT/US 99/21720 ✓

International filing date  
(day/month/year)

22/09/1999 ✓

Applicant

**WALKER DIGITAL CORPORATION et al.**

1. ☒ The applicant is hereby notified that the International Search Report has been established and is transmitted herewith.

**Filing of amendments and statement under Article 19:**

The applicant is entitled, if he so wishes, to amend the claims of the International Application (see Rule 46):

**When?** The time limit for filing such amendments is normally 2 months from the date of transmittal of the International Search Report; however, for more details, see the notes on the accompanying sheet.

**Where?** Directly to the International Bureau of WIPO  
34, chemin des Colombettes  
1211 Geneva 20, Switzerland  
Facsimile No.: (41-22) 740.14.35

For more detailed instructions, see the notes on the accompanying sheet.

File No:

98-042WO

Attorney:

DPA

Due Date:

05/23/00

Docketed:

03/31/00

2. ☐ The applicant is hereby notified that no International Search Report will be established and that the declaration under Article 17(2)(a) to that effect is transmitted herewith.

3. ☐ With regard to the protest against payment of (an) additional fee(s) under Rule 40.2, the applicant is notified that:

☐ the protest together with the decision thereon has been transmitted to the International Bureau together with the applicant's request to forward the texts of both the protest and the decision thereon to the designated Offices.

☐ no decision has been made yet on the protest; the applicant will be notified as soon as a decision is made.

4. **Further action(s):** The applicant is reminded of the following:

Shortly after 18 months from the priority date, the International application will be published by the International Bureau. If the applicant wishes to avoid or postpone publication, a notice of withdrawal of the International application, or of the priority claim, must reach the International Bureau as provided in Rules 90bis.1 and 90bis.3, respectively, before the completion of the technical preparations for international publication.

Within 18 months from the priority date, a demand for international preliminary examination must be filed if the applicant wishes to postpone the entry into the national phase until 30 months from the priority date (in some Offices even later).

Within 20 months from the priority date, the applicant must perform the prescribed acts for entry into the national phase before all designated Offices which have not been elected in the demand or in a later election within 19 months from the priority date or could not be elected because they are not bound by Chapter II.

Name and mailing address of the International Searching Authority



European Patent Office, P.B. 5818 Patentlaan 2  
NL-2280 HV Rijswijk  
Tel. (+31-70) 340-2040, Tx. 31 651 epo nl  
Fax: (+31-70) 340-3016

Authorized officer

**Lucia Van Pinxteren**

# ATENT COOPERATION TREATY

# PCT

## INTERNATIONAL SEARCH REPORT

(PCT Article 18 and Rules 43 and 44)

Applicant's or agent's file reference <b>WD2-98-042W0</b>	<b>FOR FURTHER ACTION</b> see Notification of Transmittal of International Search Report (Form PCT/ISA/220) as well as, where applicable, Item 5 below.	
International application No. <b>PCT/US 99/ 21720</b>	International filing date (day/month/year) <b>22/09/1999</b>	(Earliest) Priority Date (day/month/year) <b>05/10/1998</b>
Applicant <b>WALKER DIGITAL CORPORATION et al.</b>		

This International Search Report has been prepared by this International Searching Authority and is transmitted to the applicant according to Article 18. A copy is being transmitted to the International Bureau.

This International Search Report consists of a total of 3 sheets.

☒ It is also accompanied by a copy of each prior art document cited in this report.

### 1. Basis of the report

a. With regard to the language, the international search was carried out on the basis of the international application in the language in which it was filed, unless otherwise indicated under this item.

☐ the international search was carried out on the basis of a translation of the international application furnished to this Authority (Rule 23.1(b)).

b. With regard to any nucleotide and/or amino acid sequence disclosed in the international application, the international search was carried out on the basis of the sequence listing:

☐ contained in the international application in written form.

☐ filed together with the international application in computer readable form.

☐ furnished subsequently to this Authority in written form.

☐ furnished subsequently to this Authority in computer readable form.

☐ the statement that the subsequently furnished written sequence listing does not go beyond the disclosure in the international application as filed has been furnished.

☐ the statement that the information recorded in computer readable form is identical to the written sequence listing has been furnished

2. ☐ Certain claims were found unsearchable (See Box I).

3. ☐ Unity of invention is lacking (see Box II).

### 4. With regard to the title,

☒ the text is approved as submitted by the applicant.

☐ the text has been established by this Authority to read as follows:

### 5. With regard to the abstract,

☒ the text is approved as submitted by the applicant.

☐ the text has been established, according to Rule 38.2(b), by this Authority as it appears in Box III. The applicant may, within one month from the date of mailing of this international search report, submit comments to this Authority.

6. The figure of the drawings to be published with the abstract is Figure No.

☒ as suggested by the applicant.

☐ because the applicant failed to suggest a figure.

☐ because this figure better characterizes the invention.

12, 13

☐ None of the figures.

# INTERNATIONAL SEARCH REPORT

International Application No  
PCT/US 99/21720

**A. CLASSIFICATION OF SUBJECT MATTER**  
IPC 7 G06F17/60

According to International Patent Classification (IPC) or to both national classification and IPC

**B. FIELDS SEARCHED**

Minimum documentation searched (classification system followed by classification symbols)  
IPC 7 G06F

Documentation searched other than minimum documentation to the extent that such documents are included in the fields searched

Electronic data base consulted during the international search (name of data base and, where practical, search terms used)

**C. DOCUMENTS CONSIDERED TO BE RELEVANT**

Category *	Citation of document, with indication, where appropriate, of the relevant passages	Relevant to claim No.
X	WO 98 06050 A (FIRST DATA CORP) 12 February 1998 (1998-02-12) abstract; claim 1 page 1, line 4 - line 12 page 2, line 18 - line 28 page 3, line 15 - page 4, line 7	1-40
X	WO 98 28699 A (MERIDIAN ENTERPRISES INC) 2 July 1998 (1998-07-02) abstract page 1, line 10 - page 2, line 23	1-40

u.s.

File No:	98-042
Attorney:	DPA
Due Date:	05/23/00
Docketed:	03/31/00

☒ Further documents are listed in the continuation of box C.

☒ Patent family members are listed in annex.

\* Special categories of cited documents:

- "A" document defining the general state of the art which is not considered to be of particular relevance
- "E" earlier document but published on or after the international filing date
- "L" document which may throw doubts on priority claim(s) or which is cited to establish the publication date of another citation or other special reason (as specified)
- "O" document referring to an oral disclosure, use, exhibition or other means
- "P" document published prior to the international filing date but later than the priority date claimed

- "T" later document published after the international filing date or priority date and not in conflict with the application but cited to understand the principle or theory underlying the invention
- "X" document of particular relevance; the claimed invention cannot be considered novel or cannot be considered to involve an inventive step when the document is taken alone
- "Y" document of particular relevance; the claimed invention cannot be considered to involve an inventive step when the document is combined with one or more other such documents, such combination being obvious to a person skilled in the art.
- "8" document member of the same patent family

Date of the actual completion of the international search

16 March 2000

Date of mailing of the international search report

23/03/2000

Name and mailing address of the ISA

European Patent Office, P.B. 5618 Patentlaan 2  
NL - 2280 HV Rijswijk  
Tel. (+31-70) 340-2040, Tx. 31 651 epo nl,  
Fax: (+31-70) 340-3016

Authorized officer

Suendermann, R

# INTERNATIONAL SEARCH REPORT

International Application No.  
PCT/US 99/21720

## C. (Continuation) DOCUMENTS CONSIDERED TO BE RELEVANT

Category *	Citation of document, with indication, where appropriate, of the relevant passages	Relevant to claim No.
X	<p>US 5 537 314 A (KANTER MARK W)  16 July 1996 (1996-07-16)  abstract; claim 1  column 6, line 49 - line 67  column 7, line 25 - line 40  column 8, line 50 - column 9, line 30  column 16, line 35 - column 17, line 22</p>	1-40

## NOTES TO FORM PCT/ISA/220

These Notes are intended to give the basic instructions concerning the filing of amendments under article 19. The Notes are based on the requirements of the Patent Cooperation Treaty, the Regulations and the Administrative Instructions under that Treaty. In case of discrepancy between these Notes and those requirements, the latter are applicable. For more detailed information, see also the PCT Applicant's Guide, a publication of WIPO.

In these Notes, "Article", "Rule", and "Section" refer to the provisions of the PCT, the PCT Regulations and the PCT Administrative Instructions respectively.

### INSTRUCTIONS CONCERNING AMENDMENTS UNDER ARTICLE 19

The applicant has, after having received the international search report, one opportunity to amend the claims of the international application. It should however be emphasized that, since all parts of the international application (claims, description and drawings) may be amended during the international preliminary examination procedure, there is usually no need to file amendments of the claims under Article 19 except where, e.g. the applicant wants the latter to be published for the purposes of provisional protection or has another reason for amending the claims before international publication. Furthermore, it should be emphasized that provisional protection is available in some States only.

#### What parts of the international application may be amended?

Under Article 19, only the claims may be amended.

During the international phase, the claims may also be amended (or further amended) under Article 34 before the International Preliminary Examining Authority. The description and drawings may only be amended under Article 34 before the International Examining Authority.

Upon entry into the national phase, all parts of the international application may be amended under Article 28 or, where applicable, Article 41.

#### When?

Within 2 months from the date of transmittal of the international search report or 16 months from the priority date, whichever time limit expires later. It should be noted, however, that the amendments will be considered as having been received on time if they are received by the International Bureau after the expiration of the applicable time limit but before the completion of the technical preparations for international publication (Rule 46.1).

#### Where not to file the amendments?

The amendments may only be filed with the International Bureau and not with the receiving Office or the International Searching Authority (Rule 46.2).

Where a demand for international preliminary examination has been/is filed, see below.

#### How?

Either by cancelling one or more entire claims, by adding one or more new claims or by amending the text of one or more of the claims as filed.

A replacement sheet must be submitted for each sheet of the claims which, on account of an amendment or amendments, differs from the sheet originally filed.

All the claims appearing on a replacement sheet must be numbered in Arabic numerals. Where a claim is cancelled, no renumbering of the other claims is required. In all cases where claims are renumbered, they must be renumbered consecutively (Administrative Instructions, Section 205(b)).

The amendments must be made in the language in which the international application is to be published.

#### What documents must/may accompany the amendments?

##### Letter (Section 205(b)):

The amendments must be submitted with a letter.

The letter will not be published with the international application and the amended claims. It should not be confused with the "Statement under Article 19(1)" (see below, under "Statement under Article 19(1)").

The letter must be in English or French, at the choice of the applicant. However, if the language of the international application is English, the letter must be in English; if the language of the international application is French, the letter must be in French.

## NOTES TO FORM PCT/ISA/220 (continued)

The letter must indicate the differences between the claims as filed and the claims as amended. It must, in particular, indicate, in connection with each claim appearing in the international application (it being understood that identical indications concerning several claims may be grouped), whether

- (i) the claim is unchanged;
- (ii) the claim is cancelled;
- (iii) the claim is new;
- (iv) the claim replaces one or more claims as filed;
- (v) the claim is the result of the division of a claim as filed.

The following examples illustrate the manner in which amendments must be explained in the accompanying letter:

1. [Where originally there were 48 claims and after amendment of some claims there are 51]:  
"Claims 1 to 29, 31, 32, 34, 35, 37 to 48 replaced by amended claims bearing the same numbers; claims 30, 33 and 36 unchanged; new claims 49 to 51 added."
2. [Where originally there were 15 claims and after amendment of all claims there are 11]:  
"Claims 1 to 15 replaced by amended claims 1 to 11."
3. [Where originally there were 14 claims and the amendments consist in cancelling some claims and in adding new claims]:  
"Claims 1 to 6 and 14 unchanged; claims 7 to 13 cancelled; new claims 15, 16 and 17 added." or  
"Claims 7 to 13 cancelled; new claims 15, 16 and 17 added; all other claims unchanged."
4. [Where various kinds of amendments are made]:  
"Claims 1-10 unchanged; claims 11 to 13, 18 and 19 cancelled; claims 14, 15 and 16 replaced by amended claim 14; claim 17 subdivided into amended claims 15, 16 and 17; new claims 20 and 21 added."

### "Statement under article 19(1)" (Rule 46.4)

The amendments may be accompanied by a statement explaining the amendments and indicating any impact that such amendments might have on the description and the drawings (which cannot be amended under Article 19(1)).

The statement will be published with the international application and the amended claims.

It must be in the language in which the international application is to be published.

It must be brief, not exceeding 500 words if in English or if translated into English.

It should not be confused with and does not replace the letter indicating the differences between the claims as filed and as amended. It must be filed on a separate sheet and must be identified as such by a heading, preferably by using the words "Statement under Article 19(1)."

It may not contain any disparaging comments on the international search report or the relevance of citations contained in that report. Reference to citations, relevant to a given claim, contained in the international search report may be made only in connection with an amendment of that claim.

### Consequence if a demand for international preliminary examination has already been filed

If, at the time of filing any amendments under Article 19, a demand for international preliminary examination has already been submitted, the applicant must preferably, at the same time of filing the amendments with the International Bureau, also file a copy of such amendments with the International Preliminary Examining Authority (see Rule 62.2(a), first sentence).

### Consequence with regard to translation of the international application for entry into the national phase

The applicant's attention is drawn to the fact that, where upon entry into the national phase, a translation of the claims as amended under Article 19 may have to be furnished to the designated/elected Offices, instead of, or in addition to, the translation of the claims as filed.

For further details on the requirements of each designated/elected Office, see Volume II of the PCT Applicant's Guide.

# PATENT COOPERATION TREATY

From the INTERNATIONAL SEARCHING AUTHORITY

To: DEAN ALERUCCI  
INTELLECTUAL PROPERTY DEPARTMENT  
WALKER DIGITAL CORPORATION  
ONE HIGH RIDGE PARK  
STAMFORD, CONNECTICUT 06905

RECEIVED  
OCT 25 1999  
PCT WALKER DIGITAL

## NOTIFICATION OF TRANSMITTAL OF THE INTERNATIONAL SEARCH REPORT OR THE DECLARATION

(PCT Rule 44.1)

Applicant's or agent's file reference WD2-99-006WO	Date of Mailing (day/month/year) <b>21 OCT 1999</b>
International application No. PCT/US99/13819	International filing date (day/month/year) File No: 18 JUNE 1999 <u>99-006WO</u>
Applicant WALKER DIGITAL CORPORATION	Attorney: <u>DPA</u> Due Date: <u>12/21/99</u> Docketed: <u>10/25/99</u>

1. ☒ The applicant is hereby notified that the international search report has been established and is transmitted herewith.

**Filing of amendments and statement under Article 19:**

The applicant is entitled, if he so wishes, to amend the claims of the international application (see Rule 46):

**When?** The time limit for filing such amendments is normally 2 months from the date of transmittal of the international search report; however, for more details, see the notes on the accompanying sheet.

**Where?** Directly to the International Bureau of WIPO  
34, chemin des Colombettes  
1211 Geneva 20, Switzerland  
Facsimile No.: (41-22) 740.14.35

For more detailed instructions, see the notes on the accompanying sheet.

2. ☐ The applicant is hereby notified that no international search report will be established and that the declaration under Article 17(2)(a) to that effect is transmitted herewith.

3. ☐ With regard to the protest against payment of (an) additional fee(s) under Rule 40.2, the applicant is notified that:

- ☐ the protest together with the decision thereon has been transmitted to the International Bureau together with the applicant's request to forward the texts of both the protest and the decision thereon to the designated Offices.
- ☐ no decision has been made yet on the protest; the applicant will be notified as soon as a decision is made.

4. **Further action(s):** The applicant is reminded of the following:

Shortly after 18 months from the priority date, the international application will be published by the International Bureau. If the applicant wishes to avoid or postpone publication, a notice of withdrawal of the international application, or of the priority claim, must reach the International Bureau as provided in rules 90 bis 1 and 90 bis 3, respectively, before the completion of the technical preparations for international publication.

Within 19 months from the priority date, a demand for international preliminary examination must be filed if the applicant wishes to postpone the entry into the national phase until 30 months from the priority date (in some Offices even later).

Within 20 months from the priority date, the applicant must perform the prescribed acts for entry into the national phase before all designated Offices which have not been elected in the demand or in a later election within 19 months from the priority date or could not be elected because they are not bound by Chapter II.

Name and mailing address of the ISA/US  
Commissioner of Patents and Trademarks  
Box PCT  
Washington, D.C. 20231

Facsimile No. (703) 305-3230

Authorized officer

ALLEN MACDONALD

Telephone No. (703) 305-9708

*Joni Hill*



## PATENT COOPERATION TREATY

## PCT

## INTERNATIONAL SEARCH REPORT

(PCT Article 18 and Rules 43 and 44)

Applicant's or agent's file reference WD2-99-006WO	FOR FURTHER ACTION	see Notification of Transmittal of International Search Report (Form PCT/ISA/220) as well as, where applicable, item 5 below.
International application No. PCT/US99/13819	International filing date (day/month/year) 18 JUNE 1999	(Earliest) Priority Date (day/month/year) 19 JUNE 1998
Applicant WALKER DIGITAL CORPORATION		

This international search report has been prepared by this International Searching Authority and is transmitted to the applicant according to Article 18. A copy is being transmitted to the International Bureau.

This international search report consists of a total of 5 sheets.

☒ It is also accompanied by a copy of each prior art document cited in this report.

1. ☐ Certain claims were found unsearchable (See Box I).
2. ☐ Unity of invention is lacking (See Box II).
3. ☐ The international application contains disclosure of a nucleotide and/or amino acid sequence listing and the international search was carried out on the basis of the sequence listing
  - ☐ filed with the international application.
  - ☐ furnished by the applicant separately from the international application,
    - ☐ but not accompanied by a statement to the effect that it did not include matter going beyond the disclosure in the international application as filed.
  - ☐ transcribed by this Authority.
4. With regard to the title,
  - ☒ the text is approved as submitted by the applicant.
  - ☐ the text has been established by this Authority to read as follows:
5. With regard to the abstract,
  - ☐ the text is approved as submitted by the applicant.
  - ☒ the text has been established, according to Rule 38.2(b), by this Authority as it appears in Box III. The applicant may, within one month from the date of mailing of this international search report, submit comments to this Authority.
6. The figure of the drawings to be published with the abstract is:  
Figure No. 1
  - ☒ as suggested by the applicant.
  - ☐ because the applicant failed to suggest a figure.
  - ☐ because this figure better characterizes the invention.

☐ None of the figures.

## Box III TEXT OF THE ABSTRACT (Continuation of item 5 of the first sheet)

The abstract is too long (PCT Rule 8.1(b)). The abstract must be less than 150 words, or 200 words when no Figure is to be published.

The technical features mentioned in the abstract do not include a reference sign between parentheses (PCT Rule 8.1(d)).

## NEW ABSTRACT

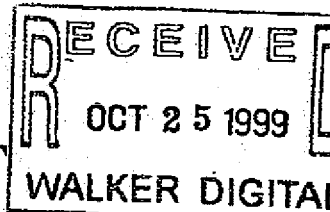
A controller (110) is in communication with a plurality of vendors (170, 180, 190) that are servicing customers, as well as with a plurality of "subsidizing" vendors (140, 150, 160) seeking access to those customers. The controller (110) receives from a first vendor an indication of one or more items that a customer is to purchase. In response, the controller (110) transmits, on behalf of a subsidizing vendor (140, 150, 160), an indication of an offer for a subsidy such as a reduction in the customer's purchase price. If the customer accepts the offer, the controller (110) provides an amount of funds from the subsidizing vendor to the first vendor. The controller (110) also facilitates a transaction between the customer and the subsidizing vendor (140, 150, 160). For example, the customer may be required to sign up for a service (e.g. credit card account service) that is provided by the subsidizing vendor (140, 150, 160).

# PATENT COOPERATION TREATY

From the INTERNATIONAL SEARCHING AUTHORITY

To: DEAN ALERUCCI  
INTELLECTUAL PROPERTY DEPARTMENT  
WALKER DIGITAL CORPORATION  
ONE HIGH RIDGE PARK  
STAMFORD, CONNECTICUT 06905

**PCT**



## NOTIFICATION OF TRANSMITTAL OF THE INTERNATIONAL SEARCH REPORT OR THE DECLARATION

(PCT Rule 44.1)

Applicant's or agent's file reference WD2-99-006WO	Date of Mailing (day/month/year) <b>21 OCT 1999</b>
International application No. PCT/US99/13819	International filing date (day/month/year) 18 JUNE 1999
Applicant WALKER DIGITAL CORPORATION	

1. ☒ The applicant is hereby notified that the international search report has been established and is transmitted herewith.  
**Filing of amendments and statement under Article 19:**  
 The applicant is entitled, if he so wishes, to amend the claims of the international application (see Rule 46):  

When? The time limit for filing such amendments is normally 2 months from the date of transmittal of the international search report; however, for more details, see the notes on the accompanying sheet.

Where? Directly to the International Bureau of WIPO  
 34, chemin des Colombettes  
 1211 Geneva 20, Switzerland  
 Facsimile No.: (41-22) 740.14.35

For more detailed instructions, see the notes on the accompanying sheet.
2. ☐ The applicant is hereby notified that no international search report will be established and that the declaration under Article 17(2)(a) to that effect is transmitted herewith.
3. ☐ With regard to the protest against payment of (an) additional fee(s) under Rule 40.2, the applicant is notified that:
  - ☐ the protest together with the decision thereon has been transmitted to the International Bureau together with the applicant's request to forward the texts of both the protest and the decision thereon to the designated Offices.
  - ☐ no decision has been made yet on the protest; the applicant will be notified as soon as a decision is made.
4. Further action(s): The applicant is reminded of the following:
 

Shortly after 18 months from the priority date, the international application will be published by the International Bureau. If the applicant wishes to avoid or postpone publication, a notice of withdrawal of the international application, or of the priority claim, must reach the International Bureau as provided in rules 90 bis 1 and 90 bis 3, respectively, before the completion of the technical preparations for international publication.

Within 19 months from the priority date, a demand for international preliminary examination must be filed if the applicant wishes to postpone the entry into the national phase until 30 months from the priority date (in some Offices even later).

Within 20 months from the priority date, the applicant must perform the prescribed acts for entry into the national phase before all designated Offices which have not been elected in the demand or in a later election within 19 months from the priority date or could not be elected because they are not bound by Chapter II.

Name and mailing address of the ISA/US Commissioner of Patents and Trademarks Box PCT Washington, D.C. 20231	Authorized officer ALLEN MACDONALD <i>Joni Hill</i>
Facsimile No. (703) 305-3230	Telephone No. (703) 305-9708

## INTERNATIONAL SEARCH REPORT

 International application No.  
 PCT/US99/13819
**A. CLASSIFICATION OF SUBJECT MATTER**

IPC(6) :G06F 17/60, 17/00

US CL :705/26, 14

According to International Patent Classification (IPC) or to both national classification and IPC

**B. FIELDS SEARCHED**

Minimum documentation searched (classification system followed by classification symbols)

U.S. : 705/26, 14, 1, 27, 16

Documentation searched other than minimum documentation to the extent that such documents are included in the fields searched

Electronic data base consulted during the international search (name of data base and, where practicable, search terms used)

Please See Extra Sheet.

**C. DOCUMENTS CONSIDERED TO BE RELEVANT**

Category*	Citation of document, with indication, where appropriate, of the relevant passages	Relevant to claim No.
X ----- Y	US 5,434,394 A (ROACH et al) 18 July 1995 Figure 3a, 3b, and 3c. col. 1 lines 50-67, col. 2 lines 48-65, col. 6 lines 1-5, col. 10	1, 13, 31, 61-69 ----- 2-12, 14 -30, 32-60
X ----- Y	US 5,570,417 A (BYERS) 29 October 1996, ab. col. 4 lines 27-62 col. 5	1, 13, 31 61-69 ----- 2-12, 14 -30, 32-60
Y	FICKENSCHER, LISA. American Express Seeks to Mine Its Data on Cardholder Spending Patterns. The American Banker. 24 March 1997. p 20.	2-12, 14 -30, 32-60

☒ Further documents are listed in the continuation of Box C.
 ☐ See patent family annex.

* Special categories of cited documents:	*T* later document published after the international filing date or priority date and not in conflict with the application but cited to understand the principle or theory underlying the invention
*A* document defining the general state of the art which is not considered to be of particular relevance	*X* document of particular relevance; the claimed invention cannot be considered novel or cannot be considered to involve an inventive step when the document is taken alone
*B* earlier document published on or after the international filing date	*Y* document of particular relevance; the claimed invention cannot be considered to involve an inventive step when the document is combined with one or more other such documents, such combination being obvious to a person skilled in the art
*L* document which may throw doubts on priority claim(s) or which is cited to establish the publication date of another citation or other special reason (as specified)	*G* document member of the same patent family
*O* document referring to an oral disclosure, use, exhibition or other means	
*P* document published prior to the international filing date but later than the priority date claimed	

Date of the actual completion of the international search  16 SEPTEMBER 1999	Date of mailing of the international search report  21 OCT 1999
Name and mailing address of the ISA/US Commissioner of Patents and Trademarks Box PCT Washington, D.C. 20231 Facsimile No. (703) 305-3230	Authorized officer  ALLEN MACDONALD Telephone No. (703) 305-9708 <i>Joni Hill</i>

## INTERNATIONAL SEARCH REPORT

International application No.  
PCT/US99/13819

## C (Continuation). DOCUMENTS CONSIDERED TO BE RELEVANT

Category*	Citation of document, with indication, where appropriate, of the relevant passages	Relevant to claim No.
Y	FICKENSCHER, LISA. Amex to Start Free Rewards Program with Discounts on Merchandise. The American Banker. 18 October 1996 p 10.	2-12, 14 -30, 32-60
Y	FITZGERALD, KATE. Amex Program Moves Loyalty to Next Level. Advertising Age. 04 November 1996. p 2	2-12, 14 -30, 32-60
Y,P	US 5,893,075 A (PLAINFIELD et al) 06 April 1999 col. 4 lines 51-65, col. 6 lines 36-58	1-67
Y,E	US 5,918,211 A (SLOANE) 29 June 1999 col. 5 lines 64-67, col. 6 lines 1-11, col. 8 lines 1-50	1-67

# INTERNATIONAL SEARCH REPORT

International application No.  
PCT/US99/13819

## B. FIELDS SEARCHED

Electronic data bases consulted (Name of data base and where practicable terms used):

APS, DIALOG

search terms: promotion, rebate, discount, reward, incentive, credit card, online shopping, cashback, application, service provider

These Notes are intended to give the basic instructions concerning the filing of amendments under Article 19. The Notes are based on the requirements of the Patent Cooperation Treaty, the Regulations and the Administrative Instructions under that Treaty. In case of discrepancy between these Notes and those requirements, the latter are applicable. For more detailed information, see also the PCT Applicant's Guide, a publication of WIPO.

In these Notes, "Article", "Rule" and "Section" refer to the provisions of the PCT, the PCT Regulations and the PCT Administrative Instructions, respectively.

## INSTRUCTIONS CONCERNING AMENDMENTS UNDER ARTICLE 19

The applicant has, after having received the international search report, one opportunity to amend the claims of the international application. It should however be emphasized that, since all parts of the international application (claims, description and drawings) may be amended during the international preliminary examination procedure, there is usually no need to file amendments of the claims under Article 19 except where, e.g. the applicant wants the latter to be published for the purposes of provisional protection or has another reason for amending the claims before international publication. Furthermore, it should be emphasized that provisional protection is available in some States only.

**What parts of the international application may be amended?**

Under Article 19, only the claims may be amended.

During the international phase, the claims may also be amended (or further amended) under Article 34 before the International Preliminary Examining Authority. The description and drawings may only be amended under Article 34 before the International Preliminary Examining Authority.

Upon entry into the national phase, all parts of the international application may be amended under Article 28 or, where Applicable, Article 41.

**When ?** Within 2 months from the date of transmittal of the international search report or 16 months from the priority date, whichever time limit expires later. It should be noted, however, that the amendments will be considered as having been received on time if they are received by the International Bureau after the expiration of the applicable time limit but before the completion of the technical preparations for international publication (Rule 46.1).

**Where not to file the amendments ?**

The amendments may only be filed with the International Bureau and not with the receiving Office or the International Searching Authority (Rule 46.2).

Where a demand for international preliminary examination has been/is filed, see below.

**How ?** Either by cancelling one or more entire claims, by adding one or more new claims or by amending the text of one or more of the claims as filed.

A replacement sheet must be submitted for each sheet of the claims which, on account of an amendment or amendments, differs from the sheet originally filed.

All the claims appearing on a replacement sheet must be numbered in Arabic numerals. Where a claim is cancelled, no renumbering of the other claims is required. In all cases where claims are renumbered, they must be renumbered consecutively (Administrative Instructions, Section 205(b)).

The amendments must be made in the language in which the international application is to be published.

**What documents must/may accompany the amendments ?**

Letter (Section 205(b)):

The amendments must be submitted with a letter.

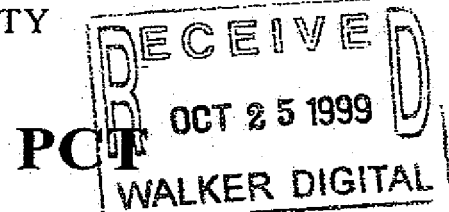
The letter will not be published with the international application and the amended claims. It should not be confused with the "Statement under Article 19(1)" (see below, under "Statement under Article 19(1)").

The letter must be in English or French, at the choice of the applicant. However, if the language of the international application is English, the letter must be in English; if the language of the international application is French, the letter must be in French.

# PATENT COOPERATION TREATY

From the INTERNATIONAL SEARCHING AUTHORITY

To: DEAN ALDERUCCI  
INTERLECTUAL PROPERTY DEPARTMENT  
WALKER DIGITAL CORPORATION  
ONE HIGH RIDGE PARK  
STAMFORD, CONNECTICUT 06905



## NOTIFICATION OF TRANSMITTAL OF THE INTERNATIONAL SEARCH REPORT OR THE DECLARATION

(PCT Rule 44.1)

Applicant's or agent's file reference WD2-98-109WO	Date of Mailing (day/month/year) <b>21 OCT 1999</b>
International application No. PCT/US99/13409	International filing date (day/month/year) 14 JUNE 1999
Applicant WALKER DIGITAL CORPORATION	

1. ☒ The applicant is hereby notified that the international search report has been established and is transmitted herewith.  
 Filing of amendments and statement under Article 19:  
 The applicant is entitled, if he so wishes, to amend the claims of the international application (see Rule 46):  

When? The time limit for filing such amendments is normally 2 months from the date of transmittal of the international search report; however, for more details, see the notes on the accompanying sheet.

Where? Directly to the International Bureau of WIPO  
 34, chemin des Colombettes  
 1211 Geneva 20, Switzerland  
 Facsimile No.: (41-22) 740.14.35

For more detailed instructions, see the notes on the accompanying sheet.
2. ☐ The applicant is hereby notified that no international search report will be established and that the declaration under Article 17(2)(a) to that effect is transmitted herewith.
3. ☐ With regard to the protest against payment of (an) additional fee(s) under Rule 40.2, the applicant is notified that:
 

☐ the protest together with the decision thereon has been transmitted to the International Bureau together with the applicant's request to forward the texts of both the protest and the decision thereon to the designated Offices.  
☐ no decision has been made yet on the protest; the applicant will be notified as soon as a decision is made.
4. Further action(s): The applicant is reminded of the following:  

Shortly after 18 months from the priority date, the international application will be published by the International Bureau. If the applicant wishes to avoid or postpone publication, a notice of withdrawal of the international application, or of the priority claim, must reach the International Bureau as provided in rules 90 bis 1 and 90 bis 3, respectively, before the completion of the technical preparations for international publication.

Within 19 months from the priority date, a demand for international preliminary examination must be filed if the applicant wishes to postpone the entry into the national phase until 30 months from the priority date (in some Offices even later).

Within 20 months from the priority date, the applicant must perform the prescribed acts for entry into the national phase before all designated Offices which have not been elected in the demand or in a later election within 19 months from the priority date or could not be elected because they are not bound by Chapter II.

Name and mailing address of the ISA/US Commissioner of Patents and Trademarks Box PCT Washington, D.C. 20231 Facsimile No. (703) 305-3230	Authorized officer ALLEN MACDONALD Telephone No. (703) 305-9708 <div style="text-align: right; font-family: cursive; font-size: 1.2em;">Joni Hill</div>
---	--



# PATENT COOPERATION TREATY

## PCT

### INTERNATIONAL SEARCH REPORT

(PCT Article 18 and Rules 43 and 44)

Applicant's or agent's file reference <b>WD2-98-109WO</b>	<div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <b>FOR FURTHER ACTION</b> </div> <div style="width: 70%;">           see Notification of Transmittal of International Search Report            (Form PCT/ISA/220) as well as, where applicable, item 5 below.         </div> </div>	
International application No. <b>PCT/US99/13409</b>	International filing date ( <i>day/month/year</i> ) <b>14 JUNE 1999</b>	(Earliest) Priority Date ( <i>day/month/year</i> ) <b>19 JUNE 1998</b>
Applicant <b>WALKER DIGITAL CORPORATION</b>		

This international search report has been prepared by this International Searching Authority and is transmitted to the applicant according to Article 18. A copy is being transmitted to the International Bureau.

This international search report consists of a total of 4 sheets.

☒ It is also accompanied by a copy of each prior art document cited in this report.

1. ☐ Certain claims were found unsearchable (See Box I).
  
2. ☐ Unity of invention is lacking (See Box II).
  
3. ☐ The international application contains disclosure of a nucleotide and/or amino acid sequence listing and the international search was carried out on the basis of the sequence listing
 

☐ filed with the international application.  
☐ furnished by the applicant separately from the international application.  

☐ but not accompanied by a statement to the effect that it did not include matter going beyond the disclosure in the international application as filed.

☐ transcribed by this Authority.
  
4. With regard to the title,
 

☒ the text is approved as submitted by the applicant.  
☐ the text has been established by this Authority to read as follows:
  
  
5. With regard to the abstract,
 

☐ the text is approved as submitted by the applicant.  
☒ the text has been established, according to Rule 38.2(b), by this Authority as it appears in Box III. The applicant may, within one month from the date of mailing of this international search report, submit comments to this Authority.
  
6. The figure of the drawings to be published with the abstract is:
 

Figure No. 16

☒ as suggested by the applicant.  
☐ because the applicant failed to suggest a figure.  
☐ because this figure better characterizes the invention.

☐ None of the figures.

## Box III TEXT OF THE ABSTRACT (Continuation of item 5 of the first sheet)

The abstract is too long (PCT Rule 8.1(b)). The abstract must be less than 150 words, or 200 words when no Figure is to be published.

The technical features mentioned in the abstract do not include a reference sign between parentheses (PCT Rule 8.1(d)).

## NEW ABSTRACT

A merchant server of a first merchant receives an indication (1602) of items that a customer is to purchase via a web site. The indication (1602) may be, for example, a signal indicating that the customer is ready to "check out" his shopping cart of items on the web site. In response, the merchant server provides an offer(1604) for a subsidy from a second merchant. The offer (1604) is provided before the items are purchased, and thus the offer is not provided unless and until the customer has manifested an intent to make a purchase from the first merchant. A response (1606) is received from the customer. If the response (1606) indicates acceptance of the offer, then the subsidy is applied to the items purchased(1610). For example, the total price paid for the items may be reduced, or the items may even be provided to the customer without charge.

## INTERNATIONAL SEARCH REPORT

International application No.  
PCT/US99/13409**A. CLASSIFICATION OF SUBJECT MATTER**

IPC(6) : G06F 17/60, 17/00

US CL : 705/26, 14

According to International Patent Classification (IPC) or to both national classification and IPC

**B. FIELDS SEARCHED**

Minimum documentation searched (classification system followed by classification symbols)

U.S. : 705/26, 14, 1, 27, 16

Documentation searched other than minimum documentation to the extent that such documents are included in the fields searched

Electronic data base consulted during the international search (name of data base and, where practicable, search terms used)

APS, DIALOG

Search terms: promotion, rebate, discount, reward, incentive, shopping cart, online shopping, cashback

**C. DOCUMENTS CONSIDERED TO BE RELEVANT**

Category*	Citation of document, with indication, where appropriate, of the relevant passages	Relevant to claim No.
X ----- Y	US 5,434,394 A (ROACH et al) 18 July 1995 Figure 3a, 3b and 3c. col. 1 lines 50-67, col. 2 lines 48-65, col. 6 lines 1-5, col. 10	1, 51, 54 -56, 61-63 ----- 2-50, 52-53, 57-60, 64
X ----- Y	US 5,570,417 A (BYERS) 29 October 1996, abs. col. 4 lines 27-62 col. 5	1, 51, 54 -56, 61-63 ----- 2-50, 52 -53, 57-60, 64
Y	FICKENSCHER, LISA. American Express Seeks to Mine Its Data on Cardholder Spending Patterns. The American Banker. 24 March 1997. p 20	1-64

☒ Further documents are listed in the continuation of Box C.
 ☐ See patent family annex.

* Special categories of cited documents:	*T* later document published after the international filing date or priority date and not in conflict with the application but cited to understand the principle or theory underlying the invention
*A* document defining the general state of the art which is not considered to be of particular relevance	*X* document of particular relevance; the claimed invention cannot be considered novel or cannot be considered to involve an inventive step when the document is taken alone
*E* earlier document published on or after the international filing date	*Y* document of particular relevance; the claimed invention cannot be considered to involve an inventive step when the document is combined with one or more other such documents, such combination being obvious to a person skilled in the art
*L* document which may throw doubts on priority claim(s) or which is cited to establish the publication date of another citation or other special reason (as specified)	*A* document member of the same patent family
*O* document referring to an oral disclosure, use, exhibition or other means	
*P* document published prior to the international filing date but later than the priority date claimed	

Date of the actual completion of the international search

16 SEPTEMBER 1999

Date of mailing of the international search report

21 OCT 1999

Name and mailing address of the ISA/US  
Commissioner of Patents and Trademarks  
Box PCT  
Washington, D.C. 20231

Facsimile No. (703) 305-3230

Authorized officer

ALLEN MACDONALD

Telephone No. (703) 305-9708

Joni Hill

## INTERNATIONAL SEARCH REPORT

International application No.  
PCT/US99/13409

## C (Continuation). DOCUMENTS CONSIDERED TO BE RELEVANT

Category*	Citation of document, with indication, where appropriate, of the relevant passages	Relevant to claim No.
Y	FICKENSCHER, LISA. Amex to Start Free Rewards Program with Discounts on Merchandise. The American Banker. 18 October 1996 p 10.	1-64
Y	FITZGERALD, KATE. Amex Program Moves Loyalty to Next Level. Advertising Age 04 November 1996 p 2.	1-64
Y,P	US 5,893,075 A (PLAINFIELD et al) 06 April 1999 col. 4 lines 51-65, col. 6 lines 36-58	2-50
Y,E	US 5,918,211 A (SLOANE) 29 June 1999 col. 5 lines 64-67, col. 6 lines 1-11 col. 8 lines 1-50	2-50

The letter must indicate the differences between the claims as filed and the claims as amended. It must, in particular, indicate, in connection with each claim appearing in the international application (it being understood that identical indications concerning several claims may be grouped), whether

- (i) the claim is unchanged;
- (ii) the claim is cancelled;
- (iii) the claim is new;
- (iv) the claim replaces one or more claims as filed;
- (v) the claim is the result of the division of a claim as filed.

The following examples illustrate the manner in which amendments must be explained in the accompanying letter:

1. [Where originally there were 48 claims and after amendment of some claims there are 51]:  
"Claims 1 to 29, 31, 32, 34, 35, 37 to 48 replaced by amended claims bearing the same numbers; claims 30, 33 and 36 unchanged; new claims 49 to 51 added."
2. [Where originally there were 15 claims and after amendment of all claims there are 11]:  
"Claims 1 to 15 replaced by amended claims 1 to 11."
3. [Where originally there were 14 claims and the amendments consist in cancelling some claims and in adding new claims]:  
"Claims 1 to 6 and 14 unchanged; claims 7 to 13 cancelled; new claims 15, 16 and 17 added." or  
"Claims 7 to 13 cancelled; new claims 15, 16 and 17 added; all other claims unchanged."
4. [Where various kinds of amendments are made]:  
"Claims 1-10 unchanged; claims 11 to 13, 18 and 19 cancelled; claims 14, 15 and 16 replaced by amended claim 14; claim 17 subdivided into amended claims 15, 16 and 17; new claims 20 and 21 added."

**"Statement under Article 19(1)" (Rule 46.4)**

The amendments may be accompanied by a statement explaining the amendments and indicating any aspect that such amendments might have on the description and the drawings (which cannot be amended under Article 19(1)).

The statement will be published with the international application and the amended claims.

It must be in the language in which the international application is to be published.

It must be brief, not exceeding 500 words in English or if translated into English.

It should not be confused with and does not replace the letter indicating the differences between the claims as filed and as amended. It must be filed on a separate sheet and must be identified as such by a heading, preferably by using the words "Statement under Article 19(1)".

It may not contain any disparaging comments on the international search report or the relevance of citations contained in that report. Reference to citations, relevant to a given claim, contained in the international search report may be made only in connection with an amendment of that claim.

**Consequence if a demand for international preliminary examination has already been filed**

If, at the time of filing any amendments under Article 19, a demand for international preliminary examination has already been submitted, the applicant must preferably, at the same time of filing the amendments with the International Bureau, also file a copy of such amendments with the International Preliminary Examining Authority (see Rule 62.2(a), first sentence).

**Consequence with regard to translation of the international application for entry into the national phase**

The applicant's attention is drawn to the fact that, upon entry into the national phase, a translation of the claims as amended under Article 19 may have to be furnished to the designated/elected Office, instead of, or in addition to, the translation of the claims as filed.

For further details on the requirements of each designated/elected Office, see Volume II of the PCT Applicant's Guide.

BEST AVAILABLE COPY

A. CLASSIFICATION OF SUBJECT MATTER  
IPC 7 G06F17/60

According to International Patent Classification (IPC) or to both national classification and IPC

## B. FIELDS SEARCHED

Minimum documentation searched (classification system followed by classification symbols)  
IPC 7 G06F

Documentation searched other than minimum documentation to the extent that such documents are included in the fields searched

Electronic data base consulted during the international search (name of data base and, where practical, search terms used)

## C. DOCUMENTS CONSIDERED TO BE RELEVANT

Category *	Citation of document, with indication, where appropriate, of the relevant passages	Relevant to claim No.
X	WO 96 31848 A (BURDON DOUGLAS ; SMITH DEAN BENNETT (CA)) 10 October 1996 (1996-10-10) abstract; claims 1-4 page 7, line 1 - page 12, line 22	1-74
X	US 5 297 026 A (HOFFMAN FRANK) 22 March 1994 (1994-03-22) abstract; claims 1-8 column 1, line 64 - column 3, line 45	1-74
X	US 5 537 314 A (KANTER MARK W) 16 July 1996 (1996-07-16) abstract column 12, line 45 - column 17, line 22	1-74

☐ Further documents are listed in the continuation of box C.

☒ Patent family members are listed in annex.

## \* Special categories of cited documents:

- "A" document defining the general state of the art which is not considered to be of particular relevance  
 "E" earlier document but published on or after the international filing date  
 "L" document which may throw doubts on priority claim(s) or which is cited to establish the publication date of another citation or other special reason (as specified)  
 "O" document referring to an oral disclosure, use, exhibition or other means  
 "P" document published prior to the international filing date but later than the priority date claimed

- "T" later document published after the international filing date or priority date and not in conflict with the application but cited to understand the principle or theory underlying the invention  
 "X" document of particular relevance; the claimed invention cannot be considered novel or cannot be considered to involve an inventive step when the document is taken alone  
 "Y" document of particular relevance; the claimed invention cannot be considered to involve an inventive step when the document is combined with one or more other such documents, such combination being obvious to a person skilled in the art  
 "&" document member of the same patent family

Date of the actual completion of the international search

17 February 2000

Date of mailing of the international search report

23/02/2000

Name and mailing address of the ISA

European Patent Office, P.B. 5818 Patentlaan 2  
NL - 2280 HV Rijswijk  
Tel. (+31-70) 340-2040, Tx. 31 651 epo nl,  
Fax: (+31-70) 340-3016

Authorized officer

Suendermann, R

Patent document cited in search report		Publication date	Patent family member(s)		Publication date
WO 9631848	A	10-10-1996	CA	2142691 A	06-10-1996
			AU	5262996 A	23-10-1996
US 5297026	A	22-03-1994	AU	670775 B	01-08-1996
			AU	3424593 A	28-07-1993
			EP	0619902 A	19-10-1994
			FI	943172 A	01-07-1994
			NO	942501 A	31-08-1994
			WO	9313488 A	08-07-1993
US 5537314	A	16-07-1996	NONE		

# PATENT COOPERATION TREATY

From the  
INTERNATIONAL PRELIMINARY EXAMINING AUTHORITY

To: PATRICK J. BUCKLEY  
INTELLECTUAL PROPERTY DEPARTMENT  
WALKER DIGITAL CORPORATION  
ONE HIGH RIDGE PARK  
STAMFORD, CONNECTICUT 06905

PCT

WRITTEN OPINION

(PCT Rule 66)

Applicant's or agent's file reference <b>99-006WO</b>		Date of Mailing (day/month/year) <b>16 MAY 2000</b>
International application No. <b>PCT/US99/13819</b>		REPLY DUE within TWO months from the above date of mailing
International filing date (day/month/year) <b>18 JUNE 1999</b>	Priority date (day/month/year) <b>19 JUNE 1998</b>	
International Patent Classification (IPC) or both national classification and IPC <b>IPC(7): G06F 17/60, 17/00 and US CL: 705/26, 14</b>		
Applicant <b>WALKER DIGITAL, LLC</b>		

1. This written opinion is the first (first, etc.) drawn by this International Preliminary Examining Authority.
2. This opinion contains indications relating to the following items:
  - I ☒ Basis of the opinion
  - II ☒ Priority
  - III ☐ Non-establishment of opinion with regard to novelty, inventive step or industrial applicability
  - IV ☐ Lack of unity of invention
  - V ☒ Reasoned statement under Rule 66.2(a)(ii) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement
  - VI ☐ Certain documents cited
  - VII ☐ Certain defects in the international application
  - VIII ☐ Certain observations on the international application
3. The applicant is hereby invited to reply to this opinion.
 

When? See the time limit indicated above. The applicant may, before the expiration of that time limit, request this Authority to grant an extension, see Rule 66.2(d).

How? By submitting a written reply, accompanied, where appropriate, by amendments, according to Rule 66.3. For the form and the language of the amendments, see Rules 66.8 and 66.9.

Also For an additional opportunity to submit amendments, see Rule 66.4.  
For the examiner's obligation to consider amendments and/or arguments, see Rule 66.4 bis.  
For an informal communication with the examiner, see Rule 66.6.

If no reply is filed, the international preliminary examination report will be established on the basis of this opinion.
4. The final date by which the international preliminary examination report must be established according to Rule 69.2 is: **19 OCTOBER 2000**

Name and mailing address of the IPEA/US Commissioner of Patents and Trademarks Box PCT Washington, D.C. 20231	Authorized officer <b>TOD SWANN</b> <i>Joni Hill</i> Telephone No. (703) 308-7791
Facsimile No. (703) 305-3230	



# WRITTEN OPINION

International application No.

PCT/US99/13819

## I. Basis of the opinion

### 1. With regard to the elements of the international application:\*

☒ the international application as originally filed

☒ the description:

pages 1-34

pages NONE

pages NONE

, as originally filed  
, filed with the demand  
, filed with the letter of

☒ the claims:

pages 35-52

pages NONE

pages NONE

pages NONE

, as originally filed  
, as amended (together with any statement) under Article 19  
, filed with the demand  
, filed with the letter of

☒ the drawings:

pages 1-25

pages NONE

pages NONE

, as originally filed  
, filed with the demand  
, filed with the letter of

☒ the sequence listing part of the description:

pages NONE

pages NONE

pages NONE

, as originally filed  
, filed with the demand  
, filed with the letter of

### 2. With regard to the language, all the elements marked above were available or furnished to this Authority in the language in which the international application was filed, unless otherwise indicated under this item.

These elements were available or furnished to this Authority in the following language \_\_\_\_\_ which is:

☐ the language of a translation furnished for the purposes of international search (under Rule 23.1(b)).

☐ the language of publication of the international application (under Rule 48.3(b)).

☐ the language of the translation furnished for the purposes of international preliminary examination (under Rules 55.2 and/or 55.3).

### 3. With regard to any nucleotide and/or amino acid sequence disclosed in the international application, the written opinion was drawn on the basis of the sequence listing:

☐ contained in the international application in printed form.

☐ filed together with the international application in computer readable form.

☐ furnished subsequently to this Authority in written form.

☐ furnished subsequently to this Authority in computer readable form.

☐ The statement that the subsequently furnished written sequence listing does not go beyond the disclosure in the international application as filed has been furnished.

☐ The statement that the information recorded in computer readable form is identical to the written sequence listing has been furnished.

### 4. ☒ The amendments have resulted in the cancellation of:

☒ the description, pages NONE

☒ the claims, Nos. NONE

☒ the drawings, sheets/fig. NONE

### 5. ☐ This opinion has been drawn as if (some of) the amendments had not been made, since they have been considered to go beyond the disclosure as filed, as indicated in the Supplemental Box (Rule 70.2(c)).

\* Replacement sheets which have been furnished to the receiving Office in response to an invitation under Article 14 are referred to in this opinion as "originally filed".

WRITTEN OPINION

International application No.

PCT/US99/13819

II. Priority

1. ☐ This opinion has been established as if no priority had been claimed due to the failure to furnish within the prescribed time limit the requested:
- ☐ copy of the earlier application whose priority has been claimed.
  - ☐ translation of the earlier application whose priority has been claimed.
2. ☒ This opinion has been established as if no priority had been claimed due to the fact that the priority claim has been found invalid.

Thus for the purposes of this opinion, the international filing date indicated above is considered to be the relevant date.

3. Additional observations, if necessary:

The claimed priority document, US Application 09/100,684, consists of an entirely different specification and claims from the present application, and does not disclose or describe any of the features claimed by the present application. Therefore, the claimed invention is being examined as of its international filing date.

WRITTEN OPINION

International application No.

PCT/US99/13819

**V. Reasoned statement under Rule 66.2(a)(ii) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement**

**1. statement**

Novelty (N)	Claims <u>1-69</u>	YES
	Claims <u>NONE</u>	NO
Inventive Step (IS)	Claims <u>NONE</u>	YES
	Claims <u>1-69</u>	NO
Industrial Applicability (IA)	Claims <u>1-69</u>	YES
	Claims <u>NONE</u>	NO

**2. citations and explanations**

Claims 1-3, 12-14, 17-27, 30-33, 37, 39, 41-44, 47-57, 59, and 61-69 lack an inventive step under PCT Article 33(3) as being obvious over Logan.

Claims 1, 2, 12-14, 17-26, 30, 31, 37, 39, 41, 43, 47-50, 54, 57, and 61-66: Logan discloses a method, apparatus, and a computer readable medium for providing a discount to a customer which includes:

- receiving an indication that customer is to purchase one or more items from a vendor (col 18, lines 26-35);
- selecting (col 6, lines 56-60; col 12, lines 24-27; and column 24, line 1 - column 25, line 25) and providing an offer or offers (discount/coupon/subsidy) to the customer from one or more second vendors (manufacturer/advertiser) prior to the purchase transaction being completed (col 26, lines 53-59);
- receiving a response from the customer accepting the offer (column 26, lines 53-59);
- providing an amount of funds to the first vendor (col 26, lines 53-59) from a customer's account;
- facilitating a transaction(s) between the customer and the second vendor(s) (col 29, line 40 - col 31, line 67); and
- receiving an amount of funds from the second vendor(s) (col 20, lines 3-7).

While Logan discloses that the advertisement could contain hyperlinks to the second vendor(s), it is not explicitly disclosed that the customer would complete a transaction with the second vendor(s). However, since the Applicant has defined "facilitating a transaction" as "providing a hyperlink" in Claim 2, the Examiner is applying this definition when interpreting feature (e) of Claim 1.

Logan also does not explicitly disclose what the offer consists of other than being a type of advertisement. It is old and well known within the marketing art that an advertisement can be for any product or service, normally offered at a discount, and that the customer is oftentimes required to complete some action before the discount is applied. Examples of these are: discount offers in which the customer must purchase one item and get a second or similar item for 50% of the normal price; an (Continued on Supplemental Sheet.)

WRITTEN OPINION

International application No.

PCT/US99/13819

**Supplemental Box**

(To be used when the space in any of the preceding boxes is not sufficient)

Continuation of: Boxes I - VIII

Sheet 10

**TIME LIMIT:**

The time limit set for response to a Written Opinion may not be extended. 37 CFR 1.484(d). Any response received after the expiration of the time limit set in the Written Opinion will not be considered in preparing the International Preliminary Examination Report.

**V. 2. REASONED STATEMENTS - CITATIONS AND EXPLANATIONS (Continued):**

offer which provides the customer a free product upon purchasing of a first item; and offers which award the customer free services for signing up with a company (i.e. 50 hours free internet time when signing up with AOL). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include in the offer an indication of a transaction the customer is required to perform in exchange for receiving the subsidy amount (or other benefit). One would have been motivated to include this information in the offer in order to allow the customer to make a better choice when confronted with several offers.

Claim 3: Logan discloses the method, apparatus, and computer readable medium as in Claim 1 above and further discloses transmitting a form to the customer for receiving information (col 8, lines 42-63).

Claim 27, 33, 42, 44, 59, and 67-69: Logan discloses the method, apparatus, and computer readable medium as in Claims 13 and 31 above and further discloses calculating the second amount based on the first amount (col 26, line 4 - col 27, line 36).

Claim 32: Logan discloses the method, apparatus, and computer readable medium as in Claim 31 and further discloses displaying the offer in text format (col 4, lines 34-47).

Claims 51-53, 55, and 56: Logan discloses the method, apparatus, and computer readable medium as in Claim 49 above and further discloses providing the offers either simultaneously or sequentially based on rank to the customer (col 25, lines 15-25). While Logan does not explicitly disclose providing the next offer based upon the rejection, acceptance, or profit of the previous offer, these are obvious variations/criteria which could be used by Logan when ranking the offers. One would have been motivated to use one or more of these factors while ranking the offers in order to present more pertinent offers to the customer, thereby increasing the likelihood of the offer being accepted by the customer.

Claims 4-11 lack an inventive step under PCT Article 33(3) as being obvious over Logan in view of Saxe.

Claim 4: Logan discloses the method as in Claim 1 above, but does not disclose determining a service provider for the customer. Saxe discloses a similar method in which the customer information includes the customer's "cable account numbers and cable system identification numbers" (col 4, lines 18-27). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include information about the customer's service provider. One would have been motivated to include this information in order to increase the accuracy and utility of the customer information database when used for marketing programs.

Claims 5-11: Logan discloses the method as in Claim 1 above, and Saxe discloses determining the service provider of the customer as in Claim 4 above. However, neither of the references disclose the steps involved in changing the customer to the new service provider upon receiving an indication of accepting such a change from the customer. It is old and well known within the art to provide promotional offers for customers to switch from one service provider to another, such as long distance service providers (AT&T vs Sprint vs MCI), Internet connection service providers (AOL vs Prodigy vs Compuserve), etc. It is also well known that one will normally cancel any existing service agreement with another service provider when initiating a new service agreement with the second service provider. It is also obvious to check the second service provider's customer database to ensure that the requester is not already a customer. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made for the second service provider to check for duplicate membership and to initiate a new service contract with the customer if not a duplicate, and to cancel any existing service agreements with other service providers. One would have been motivated to do these steps in order to prevent duplication of services being provided to the customer.

Claims 15, 16, 28, 29, 45, 46, 58, and 60 lack an inventive step under PCT Article 33(3) as being obvious over Logan in view of Weinblatt.

Claims 15 and 16: Logan discloses the method as in Claim 13 above and further discloses that the offer selection is based on a subject area (category) or a program (item) (col 9, lines 5-50), but does not explicitly disclose that the offer selection is based

WRITTEN OPINION

International application No.

PCT/US99/13819

Supplemental Box

(To be used when the space in any of the preceding boxes is not sufficient)

Continuation of: Boxes I - VIII

Sheet 11

on the item or the cost of the item. Weinblatt discloses a similar method in which the offer (reward) is based on the purchase parameters, such as number of items, item cost, category of item, etc. (col 13, line 11 - col 14, line 19). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to base the offer on various parameters of the purchase information. One would have been motivated to use the price of the item or the total payment amount in order to present offers customized to the purchase to increase the likelihood that the customer will accept the offer.

Claims 28, 29, 45, 46, 58, and 60: Logan discloses the method as in Claim 13 above, but does not disclose that the price is reduced by a predetermined amount or percentage if the price of the item is greater than the predetermined amount. Weinblatt discloses a similar method in which the promotions (offers) "can involve coupons for lowering the price"... "2 for 1 sale, oversize containers sold for the same price, manufacturer rebates, combining one product with another product, free giveaways, eligibility for a prize drawing, etc." (col 8, lines 40-45). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made that various types of offers could be utilized, to include price reductions based on a predetermined amount, a predetermined percentage, reduction of the price to zero (free giveaway), etc. It also would have been obvious to limit the reduction to no more than the total price of the item. One would have been motivated to include these types of price reductions and to place such a limit on the reduction in order to increase the flexibility of the system while preventing the merchant from losing money by actually paying the customer to take the item.

Claims 34-36, 38, and 40 lack an inventive step under PCT Article 33(3) as being obvious over Logan in view of Dedrick ('884).

Claims 34-36, 38, and 40: Logan discloses the method as in Claim 33 above and further discloses capturing the customer's "credit card information or the like for use in subscriber billing" (col 8, lines 66-67), but not explicitly disclose crediting the amount of funds to the credit card account in one or more crediting transactions. Dedrick ('884) discloses a similar method in which the amount "may be charged or credited, respectively, to the consumer's credit card or bank account" (col 15, lines 8-26 and col 9, lines 39-41). It is also well known within the arts to make subsequent credits to the account when rebates or monthly service contracts, etc. are involved. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to credit the customer's credit card account with the appropriate amounts and to make subsequent credits to the account when necessary. One would have been motivated to credit the amounts to the account in order to transfer the money needed to complete the transaction.

NEW CITATIONS

US 5,721,827 A (LOGAN et al) 24 FEBRUARY 1998, see column 4, lines 34-47; column 8, line 64 - column 9, line 50; column 12, lines 4-27; column 13, lines 26-35; column 20, lines 3-7; column 24, line 1 - column 25, line 25; and column 26, line 4 - column 27, line 36; and column 29, line 40 - column 31, lines 67.

US 5,636,346 A (SAXE) 03 JUNE 1997, see column 4, lines 18-27.

US 5,515,270 A (WEINBLATT) 07 MAY 1996, see column 13, line 11 - column 14, line 19.

US 5,710,884 A (DEDRICK) 20 JANUARY 1998, see column 15, lines 8-26 and column 19, lines 39-41.

US 5,724,521 A (DEDRICK) 03 MARCH 1998, see column 15, lines 14-31.

US 5,774,868 A (CRAGUN et al) 30 JUNE 1998, see column 2, line 26 - column 3, line 4.

File No:	99-006 U.S.
Attorney:	78
Due Date:	07/16/00
Docketed:	05/19/00

From the  
INTERNATIONAL PRELIMINARY EXAMINING AUTHORITY

To: PATRICK J. BUCKLEY  
INTELLECTUAL PROPERTY DEPARTMENT  
WALKER DIGITAL CORPORATION  
ONE HIGH RIDGE PARK  
STAMFORD, CONNECTICUT 06905

E<sup>5</sup> PC

WRITTEN OPINION

(PCT Rule 66)

*Cross Subsidy CIP*

Date of Mailing  
(day/month/year)

05 MAY 2000

Applicant's or agent's file reference

98-109WO

REPLY DUE

within TWO months  
from the above date of mailing

International application No.

PCT/US99/13409

International filing date (day/month/year)

14 JUNE 1999

Priority date (day/month/year)

19 JUNE 1998

International Patent Classification (IPC) or both national classification and IPC  
IPC(7): G06F 17/60, 17/00 and US Cl.: 705/26, 14

Applicant

WALKER DIGITAL, LLC

1. This written opinion is the first (first, etc.) drawn by this International Preliminary Examining Authority.

2. This opinion contains indications relating to the following items:

- I ☒ Basis of the opinion  
II ☒ Priority  
III ☐ Non-establishment of opinion with regard to novelty, inventive step or industrial applicability  
IV ☐ Lack of unity of invention  
V ☒ Reasoned statement under Rule 66.2(a)(ii) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement  
VI ☐ Certain documents cited  
VII ☒ Certain defects in the international application  
VIII ☐ Certain observations on the international application

3. The applicant is hereby invited to reply to this opinion.

When? See the time limit indicated above. ~~The applicant may, before the expiration of that time limit, request this Authority to grant an extension, see Rule 66.2(3).~~

How? By submitting a written reply, accompanied, where appropriate, by amendments, according to Rule 66.3. For the form and the language of the amendments, see Rules 66.8 and 66.9.

Also For an additional opportunity to submit amendments, see Rule 66.4.  
For the examiner's obligation to consider amendments and/or arguments, see Rule 66.4 bis.  
For an informal communication with the examiner, see Rule 66.6.

If no reply is filed, the international preliminary examination report will be established on the basis of this opinion.

4. The final date by which the international preliminary examination report must be established according to Rule 69.2 is: 19 OCTOBER 2000

Name and mailing address of the IPEA/US

Commissioner of Patents and Trademarks  
Box PCT  
Washington, D.C. 20231

Facsimile No. (703) 305-3230

Authorized officer

TOD SWANN.

Telephone No. (703) 308-7791

*Joni Hill*

**I. Basis of the opinion**

1. This opinion has been drawn on the basis of (Substitute sheets which have been furnished to the receiving Office in response to invitation under Article 14 are referred to in this opinion as "originally filed");

☒ the international application as originally filed.

☒ the description, pages 1-21, as originally filed.

pages NONE, filed with the demand.

pages NONE, filed with the letter of

☒ the claims, Nos. 1-64, as originally filed.

Nos. NONE, as amended under Article 19.

Nos. NONE, filed with the demand.

Nos. NONE, filed with the letter of

☒ the drawings, sheets/fig 1-18, as originally filed.

sheets/fig NONE, filed with the demand.

sheets/fig NONE, filed with the letter of

2. The amendments have resulted in the cancellation of:

☒ the description, pages NONE

☒ the claims, Nos. NONE

☒ the drawings, sheets/fig NONE

3. ☐ This opinion has been established as if (some of) the amendments had not been made, since they have been considered to go beyond the disclosure as filed, as indicated in the Supplemental Box Additional observations below (Rule 70.2(e)).

4. Additional observations, if necessary:

NONE

File No:	98-109 U.S.
Attorney:	DDA
Due Date:	07-05-00
Docketed:	05/09/00

## II. Priority

1. ☐ This opinion has been established as if no priority had been claimed due to the failure to furnish within the prescribed time limit the requested:
- ☐ copy of the earlier application whose priority has been claimed.
  - ☐ translation of the earlier application whose priority has been claimed.
2. ☒ This opinion has been established as if no priority had been claimed due to the fact that the priority claim has been found invalid.

## 3. Additional observations, if necessary:

The claimed priority document, US Application 09/100,684, consists of an entirely different specification and claims from the present application, and does not contain any of the features claimed by the present application. Therefore, the claimed invention is being examined as of its international filing date.



**V. Reasoned statement under Rule 66.2(a)(II) with regard to novelty, inventive step or industrial applicability; citations and explanations supporting such statement****1. STATEMENT**

Novelty (N)

Claims (Please See supplemental sheet) YES

Claims (Please See supplemental sheet) NO

Inventive Step (IS)

Claims (Please See supplemental sheet) YES

Claims (Please See supplemental sheet) NO

Industrial Applicability (IA)

Claims (Please See supplemental sheet) YES

Claims (Please See supplemental sheet) NO

**2. CITATIONS AND EXPLANATIONS**

Claims 1, 2, 5-9, 15, 16, 18, 19, 42-45, 49, 51-54, 62, and 64 lack novelty under PCT Article 33(2) as being anticipated by Logan.

Claim 1: Logan discloses a method for providing a discount to a customer which includes:

- a. receiving an indication that a customer is to purchase an item from a merchant (col 18, lines 26-35);
- b. providing an offer (discount/coupon/subsidy) to the customer from a second merchant (manufacturer/advertiser) prior to the purchase transaction being completed (col 26, lines 53-59);
- c. receiving a response from the customer accepting the offer (column 26, lines 53-59);
- d. applying the benefit (discount/subsidy) to the item (col 26, lines 53-59).

Claim 2: Logan discloses the method as in claim 1 above and further discloses receiving customer information (col 5, lines 7-19).

Claims 5 and 45: Logan discloses the method as in Claims 1 and 2 above and further discloses providing an offer from a second merchant selected from a plurality of merchants based on the customer information (col 9, lines 23-50).

Claim 6: Logan discloses the method as in Claim 2 above and further discloses providing an offer based on the customer information (col 9, lines 23-50).

Claim 7: Logan discloses the method as in Claim 2 above and further discloses requesting and receiving customer information from the customer (col 9, lines 12-22).

Claims 8 and 9: Logan discloses the method as in Claim 7 above and further discloses transmitting a question to the customer and receiving the customer's answer (col 9, lines 12-22).

(Continued on Supplemental Sheet.)

**VII. Certain defects in the international application**

The following defects in the form or contents of the international application have been noted:

Claim 64 is objected to under PCT Rule 66.2(a)(iii) as containing the following defect(s) in the form or contents thereof: the dependency of the claim refers to "claim E", which does not exist in the present application. Examiner assumes that this is a typographical error and will consider the claim as dependent upon claim 63.

**Supplemental Box**

(To be used when the space in any of the preceding boxes is not sufficient)

Continuation of: Boxes I - VIII

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**TIME LIMIT:**

The time limit set for response to a Written Opinion may not be extended. 37 CFR 1.484(d). Any response received after the expiration of the time limit set in the Written Opinion will not be considered in preparing the International Preliminary Examination Report.

**V. 1. REASONED STATEMENTS:**

The opinion as to Novelty was positive (YES) with respect to claims 3, 4, 10-14, 17, 20-41, 46-48, 50, 55-61, and 63.  
The opinion as to Novelty was negative (NO) with respect to claims 1, 2, 5-9, 15, 16, 18, 19, 42-45, 49, 51-54, 62, and 64.  
The opinion as to Inventive Step was positive (YES) with respect to claims NONE.  
The opinion as to Inventive Step was negative (NO) with respect to claims 1-64.  
The opinion as to Industrial Applicability was positive (YES) with respect to claims 1-64.  
The opinion as to Industrial Applicability was negative (NO) with respect to claims NONE.

**V. 2. REASONED STATEMENTS - CITATIONS AND EXPLANATIONS (Continued):**

Claims 15 and 16: Logan discloses the method as in Claim 2 above and further discloses providing the offer after receiving and based upon the customer information (col 9, lines 23-50).

Claim 18: Logan discloses the method as in Claim 2 above and further discloses that the customer information includes the location/Internet address of the customer (col 5, lines 7-67 and column 8, lines 64-66).

Claims 19, 51, and 54: Logan discloses the method as in Claim 1 above and further discloses that the benefit is a reduced price (discount) for the item (col 27, lines 3-6).

Claim 42: Logan discloses the method as in Claim 1 above and further discloses providing the offer only when a predetermined rule is satisfied (col 12, lines 4-15).

Claims 43 and 44: Logan discloses the method as in Claim 1 above and further discloses providing a plurality of offers from the merchant (col 12, lines 4-15) and receiving an indication of a selected offer from the customer (col 12, lines 24-27).

Claims 49 and 53: Logan discloses the method as in Claims 1 and 51 above and further discloses receiving a payment from the second merchant upon acceptance of the offer (col 20, lines 3-7).

Claims 52 and 64: Logan discloses the method as in Claim 51 above and further discloses charging the amount, based on the difference between total price and price charged, to the customer's credit card (col 8, lines 64-67).

Claim 62: Logan discloses the method as in Claim 1 above and further discloses generating a customer interface for allowing the customer to interact with the system (col 10, lines 51-55).

Claims 10-14, 29-32, 55-61, and 63 lack an inventive step under PCT Article 33(3) as being obvious over Logan.

Claim 10: Logan discloses the method as in Claim 2 above but does not disclose verifying the accuracy of the customer information. It is old and well known within the information arts to verify incoming data, such as customer information. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to verify the customer information upon receipt. One would have been motivated to verify the accuracy of this information in order to ensure the database is kept as up-to-date and as accurate as possible.

Claims 11-13: Logan discloses the method as in Claim 10 above, but does not disclose assessing a penalty if the customer information is not accurate. It is old and well known within the information arts to penalize users when the entered information, such as log-in and password information, is not accurate. It is also well known that this penalty may take many forms, such as monetary, denial of service, disconnection, etc. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made that when the information is not accurate to penalize the customer. One would have been motivated to penalize the customer in one of these manners in order to ensure the accuracy of the information retained in the database and to enforce any limitations on the benefit, such as the number of times a customer may receive the benefit within a specified time period, etc.

Claim 14: Logan discloses the method as in claim 10 above, but does not disclose verifying the information prior to

**Supplemental Box**

(To be used when the space in any of the preceding boxes is not sufficient)

Continuation of: Boxes I - VIII

Sheet 11

consummating the purchase. It would have been obvious to one having ordinary skill in the art at the time the invention was made to ensure that the information was accurate prior to processing the transaction. One would have been motivated to ensure this prior to completing the transaction in order to prevent entry of fraudulent or inaccurate information into the database and to ensure the purchased item is delivered to the correct address.

Claims 29-32: Logan discloses the method as in Claim 1 above, but does not disclose requesting the customer participate in a transaction with a second merchant, receiving an indication from the customer agreeing to such participation, nor that the agreement is to initiate a service contract with the second merchant. It is old and well known within the marketing art to provide offers for service contracts on items being purchased and that these contracts are with a second merchant. Examples of this type of offer are maintenance contracts available to a purchaser of an automobile, a computer, or other high cost items. The actual maintenance/service is performed by a second merchant normally distinct from the retail merchant from which the customer bought the item. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to provide service or maintenance offers from a second merchant to the customer while purchasing the item. One would have been motivated to provide this type of offer during the purchase transaction in order to more easily identify owners of such items.

Claim 55: Logan discloses the method as in Claims 1 and 29 above, but does not disclose cancelling the second transaction upon receipt of a revocation of the acceptance from the customer. It is old and well known within the marketing art that transactions can be cancelled or retracted by the customer prior to completion of the purchase. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to cancel the transaction upon receiving a revocation of the acceptance from the customer. One would have been motivated to cancel the transaction in order to provide better customer service and to preclude erroneous billing and shipping of the item to a customer who does not want it.

Claims 56-60 and 63: Logan discloses the method as in Claim 1 above, and discloses transmitting a form to the customer who completes the form and returns it to the system (col 6, lines 48-56). However, Logan does not disclose that the offer is a discount based on the customer's application for a credit card, nor that the customer completes and submits an application form online after the system determines that the customer does not already have another credit card account with the credit card issuer. It is old and well known within the marketing art to make promotional offers to customers who will complete and submit application forms for credit cards. These offers are not only made at a merchant's point of sale, but are prevalent throughout our "plastic" society. Indeed, with the advent of "sponsored" credit cards several years ago, such as banks and even gasoline companies issuing VISA cards, surveys have shown that each American receives dozens of such offers each year. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include a promotion based on a credit card application by the customer. One would have been motivated to use such a promotion in order to increase the amount of credit available to the customer, thus enticing the customer to spend more at the merchant. One would have been motivated to ensure that the customer did not already have an account with the credit card issuer in order to avoid providing an excessive credit limit to a customer.

Claim 61: Logan discloses the method as in Claim 1 above and further discloses the second merchant (advertiser) providing offers targeted to the specific customer, but does not explicitly disclose sending the customer information to the second merchant prior to receiving the targeted offer. It would have been obvious to one having ordinary skill in the art at the time the invention was made that the second merchant would require the customer information in order to provide an offer targeted to that customer. One would have been motivated to provide the customer information after receiving the indication that the customer was willing to purchase an item in order to allow new customers, whose information was just being collected, to participate in the customized offer system.

Claims 3, 4, 17, and 33-40 lack an inventive step under PCT Article 33(3) as being obvious over Logan in view of Saxe.

Claims 3, 4, and 33: Logan discloses the method as in Claim 2 above, but does not disclose that the customer information includes a service or service provider. Saxe discloses a similar method in which the customer information includes the customer's "cable account numbers and cable system identification numbers" (col 4, lines 18-27). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include information about the customer's service and service provider. One would have been motivated to include this information in order to increase the accuracy and utility of the customer information database when used for marketing programs.

Claim 17: Logan discloses the method as in Claim 1 above, but does not disclose receiving the customer information from a third party. Saxe discloses a similar method which receives the customer information either directly from the customer as Logan discloses, or from "third party demographic sources", etc. (col 6, lines 39-48). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to obtain at least part of the customer information

## Supplemental Box

(To be used when the space in any of the preceding boxes is not sufficient)

Continuation of: Boxes I - VIII

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from third party sources. One would have been motivated to obtain the information in this way in order to further expand the information in the database without requiring the customer to enter a large amount of data.

Claims 34-40: Logan discloses the method as in Claim 1 above, and Saxe discloses determining the service provider of the customer as in Claim 33 above. However, neither of the references disclose the steps involved in changing the customer to the new service provider upon receiving an indication of accepting such a change from the customer. It is old and well known within the art to provide promotional offers for customers to switch from one service provider to another, such as long distance service providers (i.e. AT&T vs Sprint vs MCI), Internet connection service providers (i.e. AOL vs Prodigy vs Compuserve), etc. It is also well known that one will normally cancel any existing service agreement with another service provider when initiating a new service agreement with the second service provider. It is also obvious to check the second service provider's customer database to ensure that the requester is not already a customer. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made for the second service provider to check for duplicate membership and to initiate a new service contract with the customer if not a duplicate, and to cancel any existing service contract with other service providers. One would have been motivated to do these steps in order to prevent duplication of services being provided to a customer.

Claims 20-22, 41, 46-48, 50 lack an inventive step under PCT Article 33(3) as being obvious over Logan in view of Weinblatt.

Claims 20-22: Logan discloses the method as in Claim 19 above, but does not disclose that the price is reduced by a predetermined amount or percentage or reduced to zero (free item) or that the reduction is taken if the price of the item is greater than the reduction amount. Weinblatt discloses a similar method in which the promotions (offers) "can involve coupons for lowering the price"... "2 for 1 sale, oversize containers sold for the same price, manufacturer rebates, combining one product with another product, free giveaways, eligibility for a prize drawing, etc." (col 8, lines 40-45). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made that various types of offers could be utilized, to include price reductions based on a predetermined amount, a predetermined percentage, reduction of the price to zero (free giveaway), etc. It also would have been obvious to limit the reduction to no more than the total price of the item. One would have been motivated to include these types of price reductions and to place such a limit on the reduction in order to increase the flexibility of the system while preventing the merchant from losing money by actually paying the customer to take the item.

Claims 41, 46-47, and 50: Logan discloses the method of Claim 1 above, but does not disclose that the offer is made only if the price of the item is greater than a predetermined threshold. Weinblatt discloses a similar method in which the offer (reward) is based on the purchase parameters, such as number of items, item cost, category of item, etc. (col 13, line 11 - col 14, line 19). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to base the offer on various parameters of the purchase information. One would have been motivated to use the price of the item or the total payment amount in order to present offers customized to the purchase to increase the likelihood that the customer will accept the offer.

Claim 48: Logan discloses the method of Claim 1 above, and Weinblatt discloses basing the offer on the item. Weinblatt also discloses that the advertiser will select the offer (col 13, line 11 - col 14, line 19). This infers that the advertiser is selecting the offer from a plurality of such offers. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to select the offer from a plurality of offers. One would have been motivated to have a plurality of offers available in order to increase the range of customers and items with matching parameters.

## NEW CITATIONS

US 5,721,827 A (LOGAN et al) 24 FEBRUARY 1998, see column 5, lines 7-67; column 6, lines 48-56; column 8, lines 64-66; column 9, lines 12-50; column 10, lines 51-55; column 12, lines 4-27; column 18, lines 26-35; column 20, lines 3-7; column 24, lines 1-14; and column 26, lines 53-59.

US 5,636,346 A (SAXE) 03 JUNE 1997, see column 4, lines 18-27 and column 6, lines 9-33.

US 5,515,270 A (WEINBLATT) 07 MAY 1996, see column 13, line 11 - column 14, line 19.

US 5,710,884 A (DEDRICK) 20 JANUARY 1998, see column 15, lines 8-26 and column 19, lines 39-41.

US 5,724,521 A (DEDRICK) 03 MARCH 1998, see column 15, lines 14-31.

**Supplemental Box**  
(To be used when the space in any of the preceding boxes is not sufficient)

Continuation of: Boxes I - VIII

Sheet 13

US 5,774,868 A (CRAGUN et al) 30 JUNE 1998, see column 2, line 26 - column 3, line 4.